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The Nation's Business

Must Gauge War Effort In Finished Output

There are 26,000 parts in a big modern bomber but if a single one is missing the whole machine is useless. We must use the same yardstick in appraising our war effort. The emphasis must be placed on finished material.

We are only encouraging dangerous complacency when we say that we are "producing practically everything required" to equip a division every six weeks, when some of the most vital parts required are missing. Unless that division is fully equipped with rifles, machine guns, hand grenades, ammunition, tanks, protecting airplanes and the hundred and one other items needed, then our effort is not complete.

It would be sheer suicide to send men lacking some vital equipment into action against the German army. Our war effort must be measured in terms of complete equipment, laid down on the field of battle.

It came as terrific shock to the people of the United States the other day to discover that of the original $7 billions Lease Lend appropriation for war equipment for Great Britain, actually only $200 millions or less than 3% of finished armaments had been sent to Britain up to a few weeks ago. Food and similar goods had been furnished in great quantity but only $200 millions of planes, tanks, shells and guns.

The supplying of food created no special difficulty. It was simply exported from great pre-war accumulations. The armaments were another matter. There was no accumulation. First they had to be produced in American factories. And while food is important, only arms will stop a German invasion of England or permit a successful counter invasion of Europe.

Senator Byrd of Virginia, in a recent speech, revealed the fact that after two full years of war preparation in the United States not a single heavy tank had yet been produced in an American factory, and no more than a trickle of modern anti-aircraft guns. Though admittedly there is no hope of making the Nazis cry quits without fleets of heavy long range bombers, the United States has produced but a few hundred of these so far and has despatched only a score or two to Britain. Some $10 billions have been spent on American defense, said Senator Byrd but less than $425 millions of finished armaments have been completed.

Our record in Canada, this year has been much better largely because we got started earlier. We have ironed out many early production difficulties. But here, as in the United States, there is still too much complacency, still a tendency to sit back and be satisfied with present progress, still a feeling that there is plenty of time. Until every single machine, every man and woman is pressed into service, until our flow of finished war equipment ready for immediate action, reaches its fullest possible production, we cannot afford the luxury of feeling satisfied.

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DANGEROUS AND UNNECESSARY

The new wage control and bonus programme has obviously been modified in at least one important respect since Prime Minister King made his initial announcement on October 18.

Instead of requiring (as Mr. King intimated) that "after November 15 every employer will be obliged to pay a bonus" the order now defers till February 15, the date at which payment of the cost-of-living bonus becomes mandatory for non-war industry, or rather, as the order puts it, for industry which has not already been paying a bonus under P.C. 7440.

Even then it is not made clear just how much this bonus will be and to what extent industries which have neither paid a bonus nor increased wages will be required to make up the difference. The decision is left with the new National Labor Board.

With the price of all commodities now frozen, the introduction and extension of this cost-of-living bonus plan is a dangerous and unnecessary feature of the new control programme.

Dr. Cyril James, eminent economist and principal of McGill University, put the case very simply last week when he said:

> "If selling prices are frozen how can enterprises which have not already granted such a bonus be expected to do so after November 15? If on the other hand enterprises are to be allowed to raise their selling prices to cover the bonus, how can we avoid the secondary effect of such action in raising the cost of living for other people and so providing an argument for further bonuses to all workers?"

Wages are by far the most important ingredient in the cost of living. In most industries the wage bill is the dominant factor in the cost of production. For all manufacturing industry in Canada, according to official figures, the total of salaries and wages paid represents approximately 50% of the total net value of manufacturing production. In terms of the national income, wage and salary payments in 1940 totalled 60% of income paid out in that year for all purposes.

To require payment of a nation-wide cost-of-living bonus means that production costs must rise. The government itself has apparently no idea how much such a bonus will actually cost, but one competent and independent observer makes a "guess" that the amount may be something more than 4% of the national wage bill. Much will depend on the interpretation of the order which is made by the National War Labor Board and the speed with which employers with less than 50 workers are included in the scheme.

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DISCRIMINATION IN WAGE CONTROL

It now appears that for the present at least, only a very small percentage of non-war manufacturing establishments and a smaller number of merchandising firms will be included under the new wage ceiling policy. This means that the larger firms will have to toe the line as far as wage rates and mandatory bonus payments are concerned, while the little fellows (if they wish) will be comparatively free to "poach" workers by offering more attractive wages. The smaller firms will also be free of responsibility for paying the mandatory cost of living bonus.

Apart from skimming only the top of the corporate structure—actual number of employees involved will of course be relatively much larger than the number of establishments—the new wage and bonus order (P.C. 8253) leaves a score of vital and fundamental points unanswered.

In short, the Department of Labor has politely passed the buck to its new National War Labor Board which is now charged not only with administering but with actually making wartime wages and bonus policy in most important respects.

It would also appear that much of this responsibility is to be passed in turn to the provincial or regional boards, each of which is to be headed by a provincial Minister of Labor and administered largely by the provincial labor organization in each region.

It is to these regional boards that individual employers are expected to take their problems and complaints. They are to "supervise inspection, enforcement and the details of administration."

If the local board is lax or politically minded in its administration then there is little doubt that the entire wage and bonus plan in that area will so incline.

It will take an outstandingly strong central board to weld this into a sound and effective control mechanism.

No chain is stronger than its weakest link. And unless the wage control programme is put into very strong hands the allied problem of price control which rests with Hon. J. L. Ilsley and the Wartime Prices and Trade Board may be almost insuperable.

Rails Use 'Red Cards' On Exports

Railways Won't Handle Overseas Traffic Without Permit Assuring Ship Space Available

From Our Own Correspondent

MONTREAL.—No restrictions or priorities are imposed by Canadian railways on domestic movement of freight, but no traffic destined for overseas will be handled by either the Canadian Pacific or Canadian National Railways without first having a permit from Canadian Railway Association which acts in conjunction with T. C. Lockwood, Federal Transport Controller.

In effect the railways have now adopted the "red card" system for all freight moving overseas.

In peacetime when either railway wants to favor the movement of a particular commodity, especially long-haul, bulk freight, the car is ticketed with a red card which ensures special handling on all lines over which it moves.

This is standard North American railway practice.

Must Have Permit

Under present conditions neither Canadian railway will load freight, especially bulk freight, for overseas without a permit from the Association.

The Association in turn will not issue a permit unless the space is actually available on a ship.

War supplies and government shipments are given preference, the Ministry of War Transport for the

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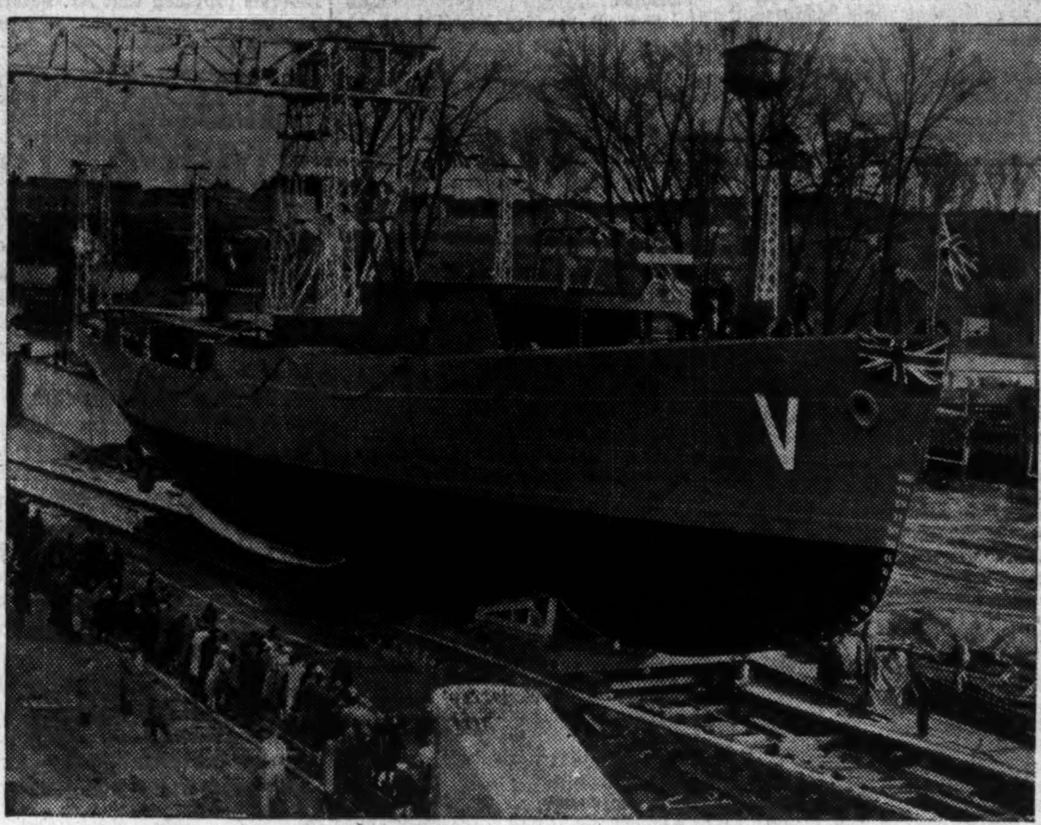
Mass Launching at Sorel



In the greatest mass launching in Canadian shipbuilding history, eight fighting vessels slid from the yards of Marine Industries Ltd., Sorel, Que., to join the issue in the battle of the Atlantic. Four of the ships were corvettes and four minesweepers. All were named after Canadian municipalities. Above is shown the H.M.C.S. La Malbaie, ready to join the rapidly growing ranks of the Canadian navy.

End of Gas Saving Not in Sight

Cottrelle Says Relief in U. S. Supply Little Help to Canada

From Our Own Correspondent

VANCOUVER. — No immediate change in the system of rationing gasoline is contemplated in Canada, Oil Controller G. R. Cottrelle informs The Financial Post.

"It is useless to make forecasts of what may be done a few weeks from now; it depends entirely on the trend of the war," said Mr. Cottrelle, "But Canada's present form of rationing through restrictions on the amount of gasoline issued to service stations is an effective one because it provides a simple means of dealing with a fluctuating situation."

He admitted, however, that response to pleas for curtailment of gasoline consumption had been observed by only a few conscientious motorists. On the whole it had not been as good as he had hoped.

Mr. Cottrelle said the primary purpose of the Oil Controller's office was to see that: 1. Plenty of fuel oil is available for ships of the navy and merchant marine when they call at Canadian seaports, usually unexpectedly; 2. The railroads, a vital part of Canada's national economy, obtain plenty of oil; 3. There is enough aviation gasoline in Canada to meet requirements of the fighting forces and training camps. 4. Military requirements are met. 5. Essential industries are enabled to operate at full pressure.

Mr. Cottrelle said the policy was to produce aviation gasoline in Canada from crude oil produced in Canada or imported rather than to import aviation gasoline as such. The latter policy would make Canada too dependent on the United States at a time when the United States might suddenly need all the highest grade gasoline for its own military requirements.

U. S. Tanker Situation

He said return of tankers to the United States by Britain could not be counted on as an immediate advantage to the Canadian oil supply.

Meantime, the Oil Controller said, every effort is being made to expand producing capacity of Canadian oil fields.

"We are getting all the oil possible from Turner Valley," he said. "My only fear is that we may be taking too much, and we have engaged Dr. George C. Brown of the University of Michigan to investigate that very point. I am very hopeful that the Vermilion field will be a major factor in the situation before long, and it may be capable of replacing considerable imported fuel oil for the Canadian railroads."

Retailers Complain

A fixed wholesale and retail price on gasoline on a zone basis and a margin between tank price and consumer price of 15 to 20% of selling price according to locality, is recommended by the gasoline and automotive service division of the Retail

(Continued on page 2, col. 2)

Post Insurance Contest Arouses Wide Interest

Much interest has been shown in The Financial Post Insurance contest and a good flow of entries has started coming in.

Letters and telephone calls have indicated wide approval. Here are a few of the comments received:

"The finest thing ever done for life insurance in Canada."

"Congratulations. Your contest should stimulate interest in life insurance in Canada greatly."

"Your plan to interest life insurance men and to bring valuable information to your readers generally by an analysis of certain cases is to be highly commended."

"This contest will prove of great interest, not only to insurance people in general but also to the public. Heartiest congratulations on the idea."

One enquiry was received from an agency manager wanting to know if there was any restriction on residents of the United States entering the contest. The reply is that the contest is open to everybody. It is necessary, however, that any contestant suggest types of insurance which a Canadian resident can buy in this country.

Another agency secretary made the following comment:

"We think your contest is well planned and the four problems are typical of those encountered by salesmen in the field. . . . we notice in each of the four problems no mention is made of life insurance presently held by the prospect. Possibly the intention is that, in each case, the contestant is expected to assume there is no life insurance presently in force."

The reply stated that the intention was each contestant should fill in such details as he considered necessary to round out his suggested programme for the prospect.

The contest, which closes Nov. 22, offers prizes for articles dealing with four specific insurance problems. A prize of $100 will be awarded for the best article on any one of the four problems, three prizes of $50 each for the best articles on the other three problems. The contest is open to everybody.

For details of the contest see announcement on page 14.

Wage Order Skips Much of Industry

Clause re Number of Employees Rules Out Nearly 90 Per Cent of Non-War Business Concerns — Wide Gaps Seen

By KENNETH R. WILSON
Staff Writer, The Financial Post

OTTAWA — Over 90% of all merchandise and non-war manufacturing establishments in Canada are excluded from the new wage and bonus legislation as it now stands.

While such firms employed, according to latest available figures, only about 26.5% of Canada's workers, the fact remains that the great bulk of Canadian merchandising and non-war manufacturing concerns are beyond the scope of the new regulations.

The Department of Labor has ruled that its new wage ceiling and compulsory bonus plan shall not apply to firms employing less than 50 persons (construction excepted).

Latest available statistics on manufacturing establishments in Canada show that exactly 90% of all manufacturing establishments in Canada employ less than 50 persons.

Accordingly they are free from any legal compulsion to comply with the new wage ceiling. Nor do they have to meet the new mandatory bonus provisions announced by Hon. Norman McLarty.

This percentage will probably be somewhat reduced by the fact all firms with war contracts are included, regardless of how many employees they have.

In merchandising, the figures are undoubtedly even more striking as to the number of firms excluded from the order. There are no figures in Canada which analyze wholesale and retail establishments according to the number of persons employed. It is, however, obvious that nearly every retail establishment in Canada apart from the department, variety and chain stores will be excluded. The number of employees in stores and merchandising establishments with less than 50 employees (and which are thus excluded from the wages and bonus control) is probably 70 or 80% of total merchandising employment.

Government authorities have indicated the present ceiling order will be extended to smaller firms eventually,—but just when is not known.

The department of munitions and supply reports that number of firms with whom the Canadian government has placed contracts exceeds 12,100. This is a sharp increase from a tabulation made earlier this year which placed the total of such firms at 6,600. The increase is due to inclusion of a large number of local firms in distributive trades, which have been given local supply orders for army establishments.

Thus a large percentage of the total represents merchandising rather than manufacturing establishments. It is presumed that all these will now come under provision of the new wage control.

In this regard, an interesting

(Continued on page 2, col. 5)

May Extend Licensing To All Businesses

By STAFF WRITER

OTTAWA.—Extension of licensing to all types of business is taken for granted as one of the forthcoming steps to implement the new price control machinery.

At present applications for license are pouring in from 13,000 post offices. These cover about 200,000 manufacturers, distributors and retailers in the food, feed, clothing, millinery, footwear, fur and similar groups.

Outside these are perhaps another 300,000 business firms which will presently come under the new price ceiling.

If this ceiling is to be made effective the Board will be required to know who these people are, what type of business they are engaged in. It will require also some method of exercising its authority.

In respect of the trades now being licensed the Board has made clear its intention of using the license as a means of enforcing its orders. Those found guilty of breaking the law will be liable to cancellation of their license. This means they will not be able to sell or manufacture any goods until the license is restored.

The original order establishing license machinery in certain stated lines of business was introduced before the board had envisaged a general price ceiling over all commodities. At that time, some much milder form of selective control was planned, affecting perhaps 20 or 30 commodities—chiefly in the food, clothing and feed areas.

Since then the board has moved in to control one area for which no licensing machinery has been set up. That is installment selling. In its order affecting this service the board simply stated that:

> "All persons engaged in the business of selling any listed article under contract of sale and all lending institutions are hereby licensed until further notice by the board and shall apply for renewal of their licenses at such time as the board may hereafter prescribe."

In view of the pressure of time it is now probable that the same procedure will apply to all firms now coming under the price ceiling. At the same time it is likely that the special licensing machinery set up to catalogue all firms in the food, clothing, footwear and feed trades will be extended very shortly to include every business in Canada.

$1.5 Billion in Wages Covered by New Order

By STAFF WRITER

OTTAWA.—Wage and salary payments covered by the new government order-in-council P.C. 8253 amount to about $1.5 billion, The Financial Post estimates.

Probably $700 or $800 millions of this payroll was already operating under the wage ceiling and mandatory bonus provisions of P.C. 7440.

New payroll included under the government order will total possibly between $500 and $700 millions annually.

These estimates, compiled by The Financial Post, are on the basis of 1940 payroll figures prepared for the federal-provincial conference last January.

At that time Canada's entire wage and salary bill (including military pay and allowances and amounts payable under workmen's compensation benefits) totalled just over $3 billions. The corresponding figure for 1941 will be considerably higher due to accelerated employment and increasing payroll in most lines of business.

From the 1940 estimate of salaries and wages paid, deductions must be made because P.C. 8253 excludes entirely from the provisions of the order, agricultural labor, government employees, etc. These deductions bring the total (exclusive of compensation, military pay and allowances) down to about $2.5 billions.

But the new order excludes as well all establishments (other than construction firms) which have less than 50 employees.

To make allowance for this it is necessary to wipe out at least 60% of payroll in merchandising establishments; 25% of manufacturing payroll and the bulk of wages and salaries paid in "professional" and "miscellaneous" groups. This reduces the total affected by a further $750 millions to a net of about $1.7

(Continued on page 2, col. 5)

Personnel Problem Holding Up Price Pronouncement

OTTAWA.—Problems of personnel and administration are largely responsible for delay in issuing the blanket price ceiling order under which all business will operate after November 17.

The cabinet order-in-council which is planned for release Friday, Oct. 31 will be a short general order empowering the Wartime Prices and Trade Board to fix maximum prices for certain goods and services.

Reason given for this further delay is the difficulty of obtaining top-flight executives to handle the various administrative controls which must be set up under the authority. Whether or not a general manager or chief executive for the entire price fixing machinery will be named is yet undecided.

The War And Business . . A Weekly Round-up

Unpaid Income Tax

One of the minor mysteries at Ottawa is the amount of unpaid income taxes. There is a suspicion the amount involved is rather large, but the department is not telling. Meanwhile the Dollar-a-Year men have been notified the government expects them to pay an income tax on their "expenses." There has been some yelping, but no backing down on the ruling. The tax-hunt goes merrily on. Before checks were sent out to agents who worked on the last Victory loan, those in arrears on income tax payments were informed it might be a good idea if they used the proceeds to pay off their debt to the Dominion.

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Huge Diversion

A 25% cut from the 1940 level in the production of washing machines as recently decreed by Ottawa, will result in over 1,000 tons of steel being diverted to war production. In addition there will be a saving of at least 70 tons in cast aluminum, substantial amounts of brass, copper and vitreous enamel, some 70 tons of rubber and half a million feet of lumber. Similar restrictions of radios, refrigerators, stoves and vacuum cleaners will divert other huge amounts of metal and other key materials to war uses.

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U. S. to Declare War?

Whaley Eaton Service expects the United States to make a formal declaration of war against Germany in the fairly near future. Such action will be taken by Congress "somewhat earlier than is generally supposed," it is stated. While this step is expected to bring Japan automatically into the conflict against the democracies, advantages are said to outweigh disadvantages.

A formal declaration of war, it is believed, would bolster American morale, put more enthusiasm into war production, bring wavering nations, such as Turkey, firmly away from the Axis, and would permit the United States to take aggressive instead of present defensive action.

Hitler, it is reported, is working for an attack by the United States not that he wants another adversary, but because this under a secret agreement would bring in Japan who could be expected to neutralize much of U. S. fleet in the Pacific, leaving the Atlantic open.

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Information Office

Plans to have Canada tell her war story by establishing a central information office in New York have not struck a snag, but are said to be held up. There seems to be a difference of opinion in high governmental circles as to just how the job should be done, and as to whether or not it should be done from Ottawa or New York. Meanwhile proponents of both schemes are ready to go ahead, but funds are needed and so far the Treasury Board has withheld its approval.

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Controls and Consumption

Here is the government's scorecard on controls and the availability of materials for non-essential use in Canada: steel, formal preference classifications established . . . pig iron, all requirements met . . . aluminum, only 2% available for non-essential use . . . nickel, on 1940 consumption basis . . . zinc, reduced to 25% of supply; was 64% last year . . . magnesium, none available except for war uses . . . tin, supply is light . . . no anti-freeze with an ethylene glycol base . . . plastic materials scarce . . . every serviceable vessel capable of deep sea work to be withdrawn from Great Lakes this winter . . . all salvage and towage tugs to be sent to the U. K. . . . staggered hours of employment in a number of Canadian cities being drafted . . . new passenger automobiles in 1942 will not exceed 44% of 1940 production . . . production of refrigerators, washing machines and other domestic appliances reduced to 75% of 1940 output on October 1 with further cuts in prospect . . . restricted use of electricity for commercial service in Ontario and Quebec a prospect this winter . . . civilian use of rubber cut 30% by February next . . . leather, no shortage . . . cork, restrictions to be announced . . . silk hosiery, cut to 40% of output in year ended Nov. 30, 1940 . . . wool, tight but no shortage . . . shortening, manufacturers turning over to a blended shortening in place of pure vegetable shortening . . . sugar, no shortage, but Ottawa has on file plan for rationing if need be . . . rentals, frozen in congested areas.

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U. S. May Follow Our Lead

Canada's revolutionary experiment in complete economic control, announced by Prime Minister King last week, may be adopted by the United States, states Felix Morley, former American newspaperman and president of Haverford College. Writing in the Philadelphia Bulletin Mr. Morley states:

"If there is need in Canada for the authoritarian measures, scheduled to take effect, November 15, the probability of eventual adoption here (United States) is strong. Indeed in some respects there seems less urgency in Canada than in the United States for the drastic steps in price and wage control which Mr. Mackenzie King envisages. Since the outbreak of war the price level in Canada has been surprisingly stable. It is true, that Canada is devoting nearly half of its national income to war production, whereas the comparable figure for this country is still only about 20%. But the Victory Programme now being evolved in Washington calls for an even greater percentage of concentration on defense than is now being made by Canada."

Germany, says Mr. Morley, will never be defeated on a programme of "business as usual" and because this fact is becoming better realized in the United States there is unusual interest in Canada's new control measures. It is reported that high-up Washington officials have come post-haste to Ottawa to study the new controls at first hand. In some quarters it is also believed that Mr. King would not have undertaken such a step in Canada had he not had inside knowledge that a similar move was in prospect in the United States. Certainly under normal conditions it would be impossible to undertake successfully such rigid control in Canada without corresponding control by our big neighbor.

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Salvage Record

Foam Lake, a little village of 500 population in Saskatchewan, has established a new salvage record for western Canada. Some 30 tons of scrap iron and steel were collected at that point during August which was increased to 44 tons in September. The total value of the material collected was over $400.

All through the agricultural districts of western Canada, it has long been known, there are huge amounts of scrap metal in the form of old engines, both traction and stationary and farm implements.

Until recently, however, the price of such scrap was not high enough to permit the economical shipment to utilization points in eastern Canada. Now a war shortage and enthusiastic direction of salvage officials have tapped this "metal mine."

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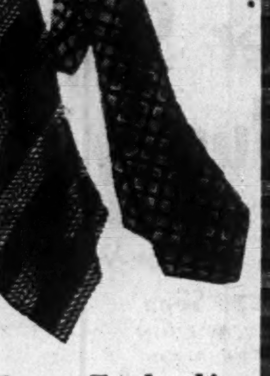
Milestones

Living allowances for ranks other than commissioned officers in Canadian Army increased from 85 cents to $1 a day . . . From April 1 to Sept. 30, 1941, Dominion war expenditure $498,519,624 compared with $238,810,242 in first six months of previous fiscal year . . . Cellophane wrapping on wide range of goods after Nov. 1, prohibited as a measure to conserve war chemicals . . .



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Railways Using Red Card Signs

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United Kingdom ruling on priorities for all overseas traffic, while cargo space for such supplies and shipments is arranged by the Transport Controller.

In this way all danger of freight piling up at ocean shipping ports is avoided. The flow of traffic is regulated so that at no time will there be freight waiting transshipment at a port or on its way to a port greater than the shipping space available.

Speed Up Movement

Because of the record freight movement, the Canadian Pacific and Canadian National are now taking steps to see that shippers do not unnecessarily delay the loading and unloading of cars.

Demurrage charges tend to keep down to a minimum the period of idleness for railway freight cars. But the two lines have gone beyond that to see that the cars are kept moving.

In the United States steps have been taken to eliminate excursion trains.

Week End Specials

No such step is contemplated here. There have been reports that the railways would do away with special ski trains to the Laurentian mountains of Quebec next winter, etc. There is no confirmation of this report.

Use Old Equipment

As far as the ski business is concerned, the type of equipment used by the railways is such that it could not be used for any other purpose. This statement might be qualified by saying that in a great emergency the equipment might be used for troop carrying, etc., but there is no prospect of that at this stage.

On the other hand, with business as at present, there is no need for the railways to push week end rates. Troop movements and regular passenger business have increased to such an extent the railways are carrying more passenger traffic now than has been the case for many years past.

Says Zipper Supply For Canada Ample

That essential—and for millions of people, mysterious—device, the zipper has, since the first patents were taken out in 1893, become really big business in a really big way.

Last year in the United States and Canada $75 millions worth of this type of fastener were sold. Canada alone manufactured enough zippers to stretch from Vancouver to Halifax and then halfway across the Atlantic Ocean to England.

Chief contributor to this for Canada was Lightning Fastener Co. Ltd. of St. Catharines, Ont., whose scale of operations today would have dumbfounded the inventor who, 50 years ago, devised the prototype of the modern zipper to fasten his boots.

War has made big demands on this industry. War has forced upon it many readjustments, but Lightning Fastener Co. does not look for any curtailment of domestic production and is officially stated to be fully capable of meeting Canadian demand.

While Canada's system of metal control has been inaugurated to see that war industries are not handicapped by civilian use of metal, H. G. Fox, general manager of Lightning Fastener Co. told The Financial Post that the Metals Controller of the Dept. of Munitions and Supply has recognized the essential need of zipper fasteners in industry by allotting a quantity of metal sufficient to supply the Canadian demand. In addition Mr. Fox told The Financial Post that there are many metals of no interest to the producers of war equipment which are entirely suitable for zipper manufacture and which are not subject to priority restrictions. Moreover, Mr. Fox said, a vast supply of zippers can be made from a relatively small tonnage of metal.

Mr. Fox is not in agreement with an article in The Financial Post of last week which reported Canadian clothing wholesalers and retailers as predicting a shortage of zippers next year.

"Our firm has adequate supplies," Mr. Fox said, "and we expect no difficulty in filling our orders on that score. The only trouble we have is that some manufacturers get panicky and try to stock up for future needs. But there is no need for it. We shall continue to supply fasteners as they are needed. Fasteners are a universal need and if the consumer could not get zipper fasteners, some substitute would have to be found. They can't get along without some means of fastening their clothing and other articles. If the government priorities system were to rule out one type of fastener a substitute would have to be provided, and developing new production would detract more from the war effort than continuing the old."

Several journals in the United States have reported that men's clothing in 1942 will be almost zipperless. Mr. Fox declares this condition will not prevail in Canada. Slide fasteners are standard equipment on all flying suits used by the Royal Canadian Air Force, on inspection vents on airplane fuselage, Link trainer fuselage, ammunition bags, machine gun covers and a host of other items of importance in Canada's war effort.

It goes without saying that these supplies must be forthcoming as needed and the Metals Controller has recognized this need. For civilian use substitute metals are available and there will be no interruption of the supply of slide fasteners for all requirements, Mr. Fox declared.

Gasoline Rationing "Is to Continue"

(Continued from page 1)

Merchants Association of Canada, to R. C. Berkinshaw, chairman of the Wartime Industries Control Board and Hector McKinnon, chairman of the Wartime Prices and Trade Board and Oil Controller Cottrelle.

The Association's memorandum claims that, for a lower octane rating in standard gasoline brands now, the consumer is paying 7 cents more as from Oct. 1 last year but no part of this increase has gone to the dealer.

The dealer's position, the brief maintains is that his wage bill is up about 20% while voluntary rationing has cut his sales about the same amount. The brief admits that Mr. Cottrelle's orders eliminating discounts, credit facilities and the requirement that all passenger vehicles must obtain their gasoline needs at retail outlets has helped the station operator. It condemns uneconomic duplication of outlets, unjustified service and the former practice of giving open or secret discounts.

New Delivery Quotas

For November the oil controller's office has announced a new formula for working out quotas for individual service stations, the third since the conservation programme started. This time the base period is an average of deliveries to individual stations for April, May and June of this year. Minimum quotas of 88% of Nov., 1940, deliveries are established and maximum quotas of 108%.

U. S. Restrictions End

Announcement in the United States that the gasoline shortage which was so much publicized in that country is at an end, apparently has little bearing on the situation in Canada.

Canada's Oil Controller Cottrelle, refuses to encourage the idea that lifting of the ban on sales in the United States can influence the programme in this country.

All restrictions upon the sale of gasoline in eastern seaboard states were lifted Oct. 23. For some weeks previously, gasoline filling stations have been banned from selling gasoline to users of private automobiles between 7 p.m. and 7 a.m. In addition actual deliveries to the stations had been restricted.

Britain has now returned to the United States 40 tankers used in the "shuttle" service for British boats in Atlantic ports. Actually, it is said, between 35 and 60 tankers which formerly served the American coast markets had been switched to British use, some of them in the Pacific.

As announced by Sir Arthur Salter, head of the British Merchant Shipping Mission, the position of the British Government with regard to petroleum is "now vastly improved."

Centre of Controversy

The oil situation in the United States in recent weeks has been the subject of conflicting reports, most of which have centred around Acting Co-ordinator Ralph K. Davies, Federal Petroleum Co-ordinator Ickes and spokesmen for the Association of American Railroads.

The railroads claimed there were over 20,000 cars available for transport of petroleum products which could move 200,000 barrels of crude oil a day into the affected area which would compare with an alleged shortage of 174,000 barrels a day.

Mr. Davies maintained there were nowhere near this number of idle tank cars.

It is now said likely further consideration by the government or the industry of an $80 million crude oil pipe line which had been proposed from east Texas to the Atlantic coast will be dropped.

Pipe-Line Deal

The major oil companies are said to have wanted to put a pipe-line bill through Congress and to get the main line—from St. Louis to the eastern United States—built. This line has been held up for years by the various states and the railroads which have refused the right of "eminent domain" to the oil companies to construct the pipe line. Impelled by the shortage scare, this bill went through Congress and the president agreed to construction of the "plantation line" from Florida to Tennessee. This will be completed in from 30 to 60 days.

Tanker costs in the United States are said to be approximately one half cent a gallon from Gulf ports to the Atlantic coast while pipe-line estimates are 9/10 of a cent and railroad about 4 cents.

Using All Methods

It is said that all companies are now using more than 6,000 oil tank cars a week to bring oil from mid-western points to the East. Also, they have rebuilt some old pipe lines which have not been used for years to take oil to mid-western points. An example is the line that feeds South American crude into Imperial Oil's pipe line to Sarnia. Extra cost is being prorated among the companies to hold off rise in retail prices.

The United States shipbuilding programme means that about six tankers will be launched in January and about two a month thereafter.

In the meantime a campaign is going on in the United States to have refining capacity, particularly that capable of turning out aviation gasoline, substantially increased. Oil Coordinator Ickes has outlined a programme calling for a daily output of 100,000 barrels of 100 octane aviation gasoline by Jan. 1, 1943. Even this, he says, is 20,000 barrels short of the goal the government has set.

Present plant capacity to make this grade of gasoline is 43,278 barrels daily. Another 2,572 barrels will be added Jan. 1, 1942. Present plans call for further additions which would add another 11,994 barrels, making total production 57,829 barrels by January 1, 1943.

Plan for State Medicine Reported Under Discussion

By STAFF WRITER

OTTAWA.—Rumor persists here that an attempt will be made at the next session of Parliament to introduce a form of state medicine.

A bill along these lines has been drafted in the Department of Pensions and Health. It has apparently been submitted to and discussed with medical authorities and provincial governments and also been given the "once over" by a government actuary.

The objective (it is said) is to introduce the plan initially in Ontario and British Columbia and subsequently to extend it to other provinces.

The procedure under discussion is that part of the cost would be borne by the federal government, part by the provincial government and part by the person insured against sickness.

What has given an important fillip to plans for a national health insurance programme is the fact that the operation of the Unemployment Insurance Act has indicated a way in which the old barrier of provincial jurisdiction may be broken down.

Where the public funds to finance such a measure would come from no one seems to know.

Presumably the plan would be promoted with the idea of providing another financial "cushion" against postwar collapse by means of reserves which would presumably be built up from now till war's end.

B. C. Outlook Still Foggy

Tory Gains Outstanding in Election Upset

From Our Own Correspondent

VANCOUVER. — British Columbians have been groping in the fog during the past week. In a single night five small vessels ran around in the Gulf of Georgia; in half an hour of Vancouver's morning rush period four automobiles and a street car piled up on Cambie Street Bridge.

But all the fog hasn't been atmospheric. The political fog in the west coast province since the election of Oct. 21 has been just as thick as the other kind and far more disturbing, especially to the fortunes of many politicians who a few days ago seemed reasonably sure of a continuance of clear skies and radiant sunshine.

Few, if any, elections in British Columbia have been so surprising to the voters as the one just held, and certainly none has left such a confusing aftermath.

And in view of the attitude of Premier T. D. Pattullo, who has gone to Ottawa with Hon. John Hart, Minister of Finance, to confer with federal officials over the withdrawal of this province from the income tax field, it is unlikely that the situation will be clarified very much for a week or so.

Fooled the Experts

Although a few days before the election reports disquieting to the Pattullo administration began to reach party headquarters, most of the political prophets, including highly placed members of the opposing groups, were predicting until the very last that the Liberal Government would poll a majority and retain the control of the Legislature. Anyone who had suggested anything like the actual result of the balloting—21 seats Liberal, 14 C.C.F., 12 Conservative and one Labor — could have obtained tremendous odds.

Although the sweep made by the C.C.F. in the Greater Vancouver area as well as in the country was a surprising development, and even the Conservative gains were greater than most people had expected, the astonishing effect was the actual, if not technical, dislodgment of the Pattullo government after eight years of office.

For businessmen and those who believe in the essential soundness of the existing economic order, there is satisfaction in the knowledge that, despite the advance made by the C.C.F. party and the fact that it may in future be the official opposition in the Legislature, the great majority of the voters were for the Liberal-Conservative group. The ratio was more than 2 to 1.

Big Tory Gains

The Conservatives as a party made the greatest gain in the electoral vote with a total of 131,565 compared with 119,521 in the last election. The C.C.F. party polled 125,878 compared with 119,400. In other words, the Conservatives gained 12,000 votes and the C. C. F. 6,000, or only half as many as the Conservatives.

The two parties in opposition advanced at the expense of the Liberals, whose total of 156,074 in the previous election sank to 135,315 in the contest just completed.

In a three-sided contest it is always difficult to analyze the sentiment of the voters, to arrive at the basic reason for the overthrow of the party in power.

There can be little doubt that the vote indicated clear repudiation of the Pattullo policies, for the Pattullo government had the organizational advantage of a long period in office and a reasonably able cabinet from the standpoint of administration.

To most people it is evident that Mr. Pattullo discounted the unfavorable effect of his attitude last winter in connection with the Sirois report. As indicated in The Financial Post recently the Pattullo government was quick to make amends when it realized that the country was not in the mood for condoning provincial independence in fiscal affairs during national emergency.

When Mr. Pattullo returned from the ill-fated Ottawa conference, where he and Hepburn and Aberhart had rendered the proceedings hopeless, he was attacked on all sides by the newspapers, and while he defended his course, he eventually swung around to the opposite tack and British Columbia was first of all the provinces to assure Ottawa that it would yield income tax revenues and grant other concessions to the national government. Evidently this wasn't good enough; Mr. Pattullo had changed his course too late.

At this writing it appears that a coalition government is inevitable for British Columbia; that during the next few weeks some way will be found of bringing Conservatives and Liberals into a perhaps temporary alliance on a legislative programme with the C. C. F. in opposition.

Harld Winch, leader of the C. C. F., says that will be O.K. with him. In any event the C. C. F. will not enter a union with the old-line parties.

Mind Not Made Up

R. L. Maitland, Conservative leader, has not committed himself so definitely. Possibly foreseeing the event so tempting now to the C. C. F., Mr. Maitland does not wish to risk submergence of his party by alliance with another numerically stronger, but the only alternative would seem to be another election, which everyone would deplore.

Mr. Pattullo himself holds the key, and as this is written he seems determined to play his cards to the bitter end. He has called the legislature to assemble Nov. 1 and until then he intends to retain the premiership and leave the rest to chance.

But that theory seems hardly realistic enough. It is doubtful if a single member of the C. C. F. would support the Pattullo government under such conditions, and it is similarly unlikely that the Conservatives would agree to any setup that would leave Mr. Pattullo in the saddle.

There is good reason to suppose, however, that the Conservatives would agree to coalition with the Liberals provided that Mr. Pattullo stepped down and out of the picture; in which event the premiership would probably fall on the shoulders of the Hon. John Hart, veteran finance minister.

No one seems to have consulted Mr. Hart—probably he doesn't want the job particularly. It is reported that he was slated for the vacancy in the senate; but it's probable that in the interests of harmony he might be induced to accept.

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Wage Order Skips Much of Industry

(Continued from page 1)

new D.B.S. calculation, based on one week in May of this year, found the total wages paid in one week in Canada was $38,622,330 or $25.26 per week per wage earner in Canada.

The government is handling this new anti-inflation weapon in such a way that its full import for business and labor and its detailed application in specific cases cannot be properly determined until the new National War Labor Board gets into action, and gives interpretation to now rather vague generalizations of the order.

Rescind P.C. 7440

The order-in-council covering the government's new Wartime Wages and Cost of Living Bonus Order is numbered P.C. 8253. This replaces P.C. 7440 which has been rescinded.

Under this order, responsibility for major decisions as to calculation of what are fair and reasonable wage rates and bonus payments; bonus payments to white-collar workers; extent of responsibility granted the five regional boards and other major matters of policy are left almost entirely to the new National War Labor Board.

In short, it will be the future orders of the National War Labor Board (personnel not yet named) which will determine the real nature and extent of Canada's new wage and bonus policy rather than P.C. 8253.

For example:

The National Board is empowered to increase wage rates where it finds basic scales are "low as compared with rates generally prevailing for the same or substantially similar occupations in the locality or in a locality which in the opinion of the Board is comparable."

The Board has authority to defer payment of cost of living bonus where any employer's basic wage scale is "enhanced as compared with the rates generally prevailing......" etc.

The Board must determine the amount of bonus payable on Feb. 15, 1942, by those industries not now paying such a bonus. Authority for this is given in subsection b, section 12 of the order and which reads:

"Effective for the first payroll period beginning on or after Feb. 15, 1942, each employer who is not then paying a bonus in accordance with the provisions of this order shall pay a bonus in an amount based as hereinafter provided on the rise in the index number for Jan. 1942, above the index number for Oct. 1941, or for such earlier month, not earlier than the effective date of the last general increase in wages paid by him and not earlier than Aug., 1939, as the National Board finds fair and reasonable."

Moreover "In case of any dispute as to whether, in any case, a bonus is payable and the amount of such bonus, the Board shall determine the matter in dispute and its determination shall be final and binding on the employer and employees concerned."

The Board has authority to exempt any employer from payment of the bonus in whole or part "if it be clearly shown that such employer is financially unable to pay the said bonus."

Left to Board also is another major job, namely the division of responsibility as between itself and the five regional boards provided for in P.C. 8253.

That the regional boards under direction of five provincial ministers of labor will have wide powers, is indicated in an explanatory statement issued by Hon. Norman McLarty in which it was stated:

"The exact division of responsibility between the National and Regional Boards remains to be worked out in the by-laws but in general the National Board will develop broad policy and the Regional Boards will supervise inspection, enforcement and the details of administration....

"It is to Regional Boards in the first instance that complaints, enquiries, requests for adjustment in wage rates and applications for exemption from paying the bonus should be directed."

All work on the new wage and bonus policy has been suspended for at least a week while federal and provincial labor officials attend, en masse, the International Labor Organization convention in New York.

This applies also to the National Labor Supply Council which is charged under P.C. 8253 with nominating a panel from which four representatives of employers and four of employees can be chosen to man the new War Labor Board. Six key or alternate members of the Council — W. C. Coulter, Tom Moore, A. R. Mosher, Alfred Charpentier, Arthur D'Aoust, John W. Bruce— are included in the official Canadian delegation to New York.

P.C. 8253 came into effect Friday, Oct. 24 in so far as its provisions freezing all basic wage rates.

At Nov. 15, all employers included in its provisions, and who have been paying a cost-of-living wage bonus pursuant to P.C. 7440, are required to add to the amount of such bonus an amount based on the rise in the official D.B.S. living cost index between Oct. 1941, and the last date at which they had calculated the bonus.

Three Months Grace

There is another three months grace before firms not presently paying a bonus are required to bring their wage and bonus policies into line with the new policy. The section covering this (12-b) is printed above.

The old five-point yardstick for measuring whether or not a further bonus was due and payable under P.C. 7440 disappears.

Instead, the government now assumes responsibility for stating the amount of bonus payable by all firms covered by the act.

This calculation and announcement is to be made each quarter and will be based on the change in the cost of living index in January, April, July and October. Changes will be effective for the first payroll periods beginning on or after the 15th of February, May, August and November.

No change will be made unless the index has changed one whole point or more.

No advice is given in P.C. 8253 as to what types of employees are included in the wage and bonus provisions. The act merely defines that bonus payments within the provisions of the order must be paid to "other than those occupying positions above the rank of foreman or comparable ranks."

There is no definition as to the point where financial, insurance or commercial organizations with large office or clerical staffs, salesmen, etc., should draw a line in payment of the bonus.

Presumably this decision is left with the National Board.

$1.5 Billion Wages Covered

(Continued from page 1)

billion. Further exclusions for salaried or supervisory persons would reduce this to well below the $1.5 billion mark.

Of this total, payroll in transportation, communication and war industry which was already operating more or less rigidly under a mandatory cost-of-living bonus and the wage ceiling of P.C.7440 represented payroll of probably about $800 millions.

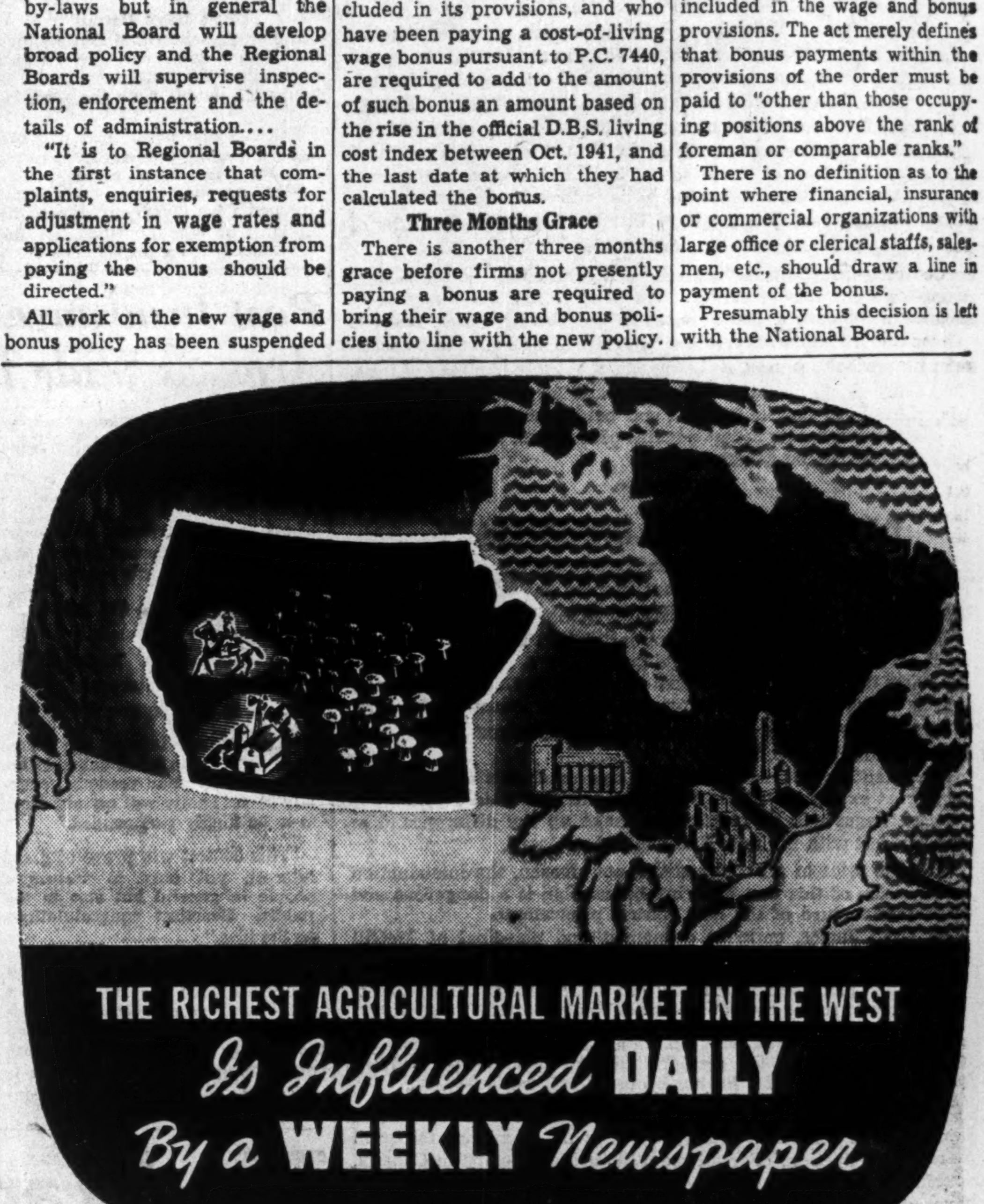
The remainder—a figure probably in the neighborhood of $500 to $700 millions (on the basis of 1940 payroll) represents a rough and ready indication of the extent of new payroll brought under the government's wage and bonus order.

The following table shows estimated wages and salaries paid in every industry in 1940:

Canada's Salary and Wage Bill, 1940

	$
Agricultural labor	*81,335,000
Primary mining	143,206,000
Primary forestry	66,490,000
Manufacturing	973,130,000
Construction (private contractors)	143,746,000
Steam railways	224,503,000
Electric railways	20,754,000
Water transport	28,950,000
Telephone	27,117,000
Retail trade	257,317,000
Wholesale trade	146,122,000
Retail services	61,135,000
Fed. govt. employees (civil)	*123,168,000
Prov. govt. employees	*72,543,000
Municipal education	*69,330,000
Other municipal	*55,876,000
Chartered banks	37,822,000
Life insurance	35,839,000
Professional (employees only)	97,056,000
Miscellaneous	186,529,000
Workmen's compen. benefits	*20,093,000
Military pay & dependents all.	*183,132,000
Total	3,038,193,000

*Excluded entirely from wage ceiling and bonus order.



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Housing and Shape of Things to Come

European Authority Shows His Blueprint of Canada's Needs

Mighty changes are going on in Canada's pattern of life and should be recognized by a long term, sweeping housing programme, says this writer. With the material at hand, Canada could materially raise the standard of living as reflected in Canadian homes

Dr. E. G. Faludi, eminent European housing authority, and author of the following article, is now resident in Toronto, where he has been making a study of Canadian materials and processes and their adaptation to Canadian housing needs. Passionately devoted to his subject, he stresses the need of a long-term programme for Canadian housing, blueprints of which, he argues, should be drawn up here and now, for war and postwar requirements.

Born in Hungary, Dr. Faludi received the degree of doctor of architecture in Rome. After working as a consultant architect in Europe and England, he was driven from Nazi-dominated Europe in 1939. He is now giving a series of lectures at the University of Toronto and is lecturing in Montreal and other Canadian cities.

These articles are published for their importance as a contribution to a vital subject, but the opinions expressed are not necessarily those of The Financial Post.

By DR. E. G. FALUDI

War is working drastic changes in Canada just as much as elsewhere and, when peace is restored, it will be a Canada very different from that which entered war in 1939.

Expansion of existing industries, creation of new industries, and the development of new resources is causing a shift in population and a redistribution of economic standards. Immense and immeasurable changes can be realized even in our daily life in living methods, and therefore in housing needs.

Canada at present faces three major problems in housing:

(1) The immediate need for houses for war factory workers.

(2) The growing shortage of housing evoked by the continuous obsolescence of existent dwellings and the diminished production of houses.

(3) The increasing demand for low rent housing in the urban centres, because of continuous migration from the rural areas (which will be probably accentuated by a mass immigration after the war.)

A large part of the next generation will grow up better not only in the physical, but also in the social sense. They will not fight and destroy any more the natural environment in order to build great urban centres of gridiron pattern. They will plan and build communities which, in addition to their industrial and agricultural resources, will be more conducive to healthful and satisfying life.

In the past full benefit has not been derived from Canada's housing activities because of the failure to frame a complete policy for all citizens. In place of the haphazard developments of the past we should provide for projects of permanent constructive value.

Good Investments

Canada needs a good long term programme of housing activity. The benefits of a sound comprehensive programme are many and these housing programmes both rural and urban—are good investments on the part of the nation.

Whether the war ends very soon or lasts a long time, it is equally important that we should plan now, but for different reasons. If it ends soon, it will be necessary to turn rapidly to a new peace time order.

If the war lasts three or more years, it will be even more difficult to go back to peace time order and if no blueprints exist for a new world, the profound spiritual and material exhaustion of the fighting people may end in an economic disaster.

It is, however, a matter of desperate urgency that general principles should be established, terms clarified and the scope of the subject agreed upon.

It is inevitable that public opinion will demand some kind of picture of the future, a visible expression from the point of view of their own life, so as to be able to feel a positive purpose for it.

The lesson to be learned from the Great War must be an excuse to consider housing as a positive value in this picture, a practical way toward a better new world.

To build good houses at a low cost is a question of introducing standardized industrial production techniques. Houses are still built by assembling a great number of small individual units by hand tool processes, exposed to weather conditions, and with wastage of materials.

Market Means Low Costs

The problem is how to secure reduction of construction costs, greater use of economic organization, science and invention. A clear and resolute answer is given to this question recently by the rapid development of defense housing in the United States and Canada, through mass production of prefabricated houses. It has only now materialized because of the assurance of a market to make mass production profitable. The real low cost house, as the result of industrial mass production is not a dream any more.

Another factor in increasing construction costs is financing methods. Construction financing, with its comparatively high interest rates, premiums, service, inspection fees and insurance charges often reaches 15%—sometimes 20%—of the total construction costs.

A National Obligation

Building of low cost or low rent houses is of a character which private enterprise cannot undertake even in normal times. It is therefore not a question of doing with public funds what would otherwise be carried out by private finance.

In the previous century, housing was a matter of political agitation and declamation. Today we are under a social transformation and securing a tolerable standard of housing for all citizens has become a definite national obligation.

Defense housing has opened the way for public housing of the future which, with slum clearance, will be a national problem.

An enlightened public opinion is necessary to see that the time is coming when slums must be eradicated. Soldiers coming back after the war will demand something better than blighted areas to live in.

Unfortunately, today, we are witnesses of the growing and building of new districts which are becoming slums at the moment they are built, because they are not planned but built haphazardly without regard for the convenience, health, safety and attractiveness of the community.

In the last analysis, our homes are among the things we defend and they should be worth defending.

B. C. Payrolls Near '29 Mark

Shipbuilding and Aircraft Become Important Factors in Production

From Our Own Correspondent

VANCOUVER. — British Columbia's industrial activity is well illustrated by payroll increases during the past year. Every primary industry in the province is now operating under forced draft, and manufacturing is attaining new peaks every successive month.

Shipbuilding and aircraft construction are becoming important factors on this coast for the first time and from now on will be major factors in industrial volume of production and payrolls.

Payrolls of British Columbia last year reached a total of $188 millions, an increase of $22 millions and only $3.7 millions less than the all-time high of 1929. It seems obvious that the figures for the current year will top those of the boom-time level of 1929.

Average weekly wage of all industrial workers increased by $1.31 to $28.11 a week, the highest since 1930, although still below the peaks established in 1919, 1920 and 1929. The years 1919 and 1920 reflected activity in the shipyards which fell off to a negligible point until a year ago.

Lumbering as usual heads the list of industrial payrolls in this province, accounting for a distribution of more than $33.4 millions, a gain of $4.5 millions for the year.

The next big advance was in shipbuilding, amounting to $2.4 millions. This represented an increase of 100% and will probably show a similar rise this year.

The metal trades, also subsidiary to shipbuilding and an important factor in B. C.'s war production, reported a payroll of $10 millions, about $1.5 million higher.

The metal-mining payroll was up nearly $1 million to $12.6 millions; explosives more than doubled to $2.2 millions.

Contracting, also influenced by war business, jumped $1.7 million to $10.1 millions.

New Books . . .

Tirade at Glasgow

THOUGHTS FOR THE TIMES? The W. P. Ker Memorial Lecture for 1940 at Glasgow University, by W. MacNeile Dixon, emeritus professor University of Glasgow. Published by Longmans, Green and Co. Price $1.

Though saying very little new about the war, Professor Dixon says nearly all of it a different way, says it superbly and with a wealth of epigram and literary allusion that will make this 51-page volume a gracious half hour's reading for many, and a rich source of quotations on pulpits and platforms.

A typical quotation from Professor Dixon:

"To rid this piratical people (Nazis) of the passion to enslave and destroy weaker nations is clearly beyond ours or any human power . . . Before exchanging compliments and commodities with a wild beast it would be a wise precaution first to draw its teeth."

Quotations quoted by Professor Dixon:

Dr. Johnson: "If men were all virtuous, I should with great alacrity teach them all to fly. But what would be security of the good, if the bad could at pleasure invade them from the sky? Against an army sailing through the clouds, neither walls, nor mountains, nor seas could afford any security. A flight of northern savages might hover in the wind and light at once with irresistible violence upon the capital of a fruitful region that was rolling under them."

Napoleon: "The advent of cannon killed the feudal system; ink will kill the modern social organization."

Rabelais: "Science without conscience is the ruin of the soul."

Bertrand Rusell: "Mathematics may be defined as the subject in which we never know what we are talking about, nor whether what we are saying is true."

Canada's Economy

AN INTRODUCTION TO POLITICAL ECONOMY. By V. W. Bladen, Published by University of Toronto Press, Toronto. Price $2.25.

Professor Bladen's work is largely a study of economics in practice. While he has written the "Introduction" chiefly for the use of his students at the University of Toronto, he skips hurriedly over the theoretical or "desert island" phases of the subject and devotes most of his volume to an exhaustive analysis of several Canadian economic problems.

One chapter is devoted to wheat and the conditions of the West; another to newsprint; still another to combines and their legislative control in Canada. Each of his studies shows the extent of Canadian dependence upon external conditions and the difficulty of treating this nation as an isolated community, either in pure theory or in the drafting of public policy.

Throughout the chapters runs the pervading theme of the conflict between the individualistic way in society—reaching its acme in laissez-faire—and the collectivist theme. Prof. Bladen makes it clear that, in Canada, collectivist doctrines have been winning out and the state is more and more the master of man. but his volume offers little clue as to the compromises that may be reached in the postwar era to retain some spirit of enterprise in the world while ending "underprivilege" and depression.

U.S.-Canada Free Trade

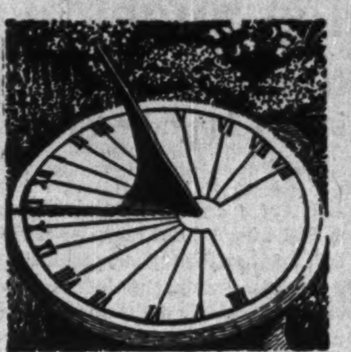
DEPENDENT AREAS IN THE POSTWAR WORLD. By Arthur Holcombe, chairman, department of government, Harvard University. Published by World Peace Foundation. 50 cents.

In this 100-page pamphlet in the "America Looks Ahead" series, this authority discusses the problem of governing dependent areas, has some pungent comment about the League of Nations mandate system and outlines the policy he would like to see the United States support in the postwar world. Free trade is an important feature of his plan. Commenting on Canada's relationship with the United States, he says:

"The removal of barriers to trade and every kind of economic intercourse between Canada and the United States would be as profitable to the peoples of both countries as the abolition of trade restrictions has been to the inhabitants of the various regions within the United States. A customs union, a monetary union, an immigration union of Canada and the United States would bring substantial advantages to the whole body of people in these intimately-related countries. The United States cannot afford to treat Canadians as inhabitants of any kind of dependency. The only sound basis for closer relations is the same consideration for Canadians as for Americans within the borders of the United States and vice versa."

On the Record

DOCUMENTS OF AMERICAN FOREIGN RELATIONS VOL., III, July, 1940-June, 1941. Editors: S. Shepherd Jones, director, World Peace Foundation and Denys P. Myers, director of research, World Peace Foundation. Published by World Peace Foundation. $3.75.



TIME MOVES ON

—even though your Will stands still

Changes are taking place all around you. World conditions are undergoing violent readjustments. Investment values, real estate prices, probably your own net worth, are changing daily. Maybe there are also changes of a personal nature affecting your family — births, deaths, marriages.

The remorseless march of time renders many Wills valueless. Is it affecting yours? Read it in the light of today. If changes are in order see your lawyer or notary.

One change we suggest is naming the Crown Trust Company as your executor and trustee. Let us tell you about our services.

Crown Trust Company

Executors :: Trustees :: Financial Agents

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The EXCELSIOR LIFE

A STRONG CANADIAN COMPANY

Branch Offices From Coast to Coast

time IS CANADA'S MOST VITAL WAR NEED!

TRUCKS Save TIME

SHIP AND SPECIFY "BY TRUCK"

There's only one loading and unloading in door-to-door truck shipments — less packing and crating — less handling — less chance of delay or breakage. These economies are directly reflected in lower prices. Trucks save you money in every operation.

KEEP THE TRUCKS ROLLING

In wartime, *especially*, Canada needs this vital transportation system. But trucks must have gasoline—oil—tires and parts. Nothing should hamper this time-saving industry that employs 450,000 persons — more than all other forms of transportation combined.

Every way you look at it, Canada's most serious commodity shortage is *time*. Time to convert men into soldiers . . . crops into food . . . raw materials into planes and ammunition. Time to deliver everything to the place it's needed most.

It makes little difference *where* time is consumed. On the production line. Or in transit. Save it, and *you conserve the nation's most vital need!*

That's where trucks fit our war effort. *No other form of transportation approaches the overall speed, flexibility and economy of trucks.*

So, it behooves us to keep the highways open to the unhampered flow of goods by truck. Canada *must* have the full benefit of this vital transportation system.

THE Automotive Transport Association OF ONTARIO

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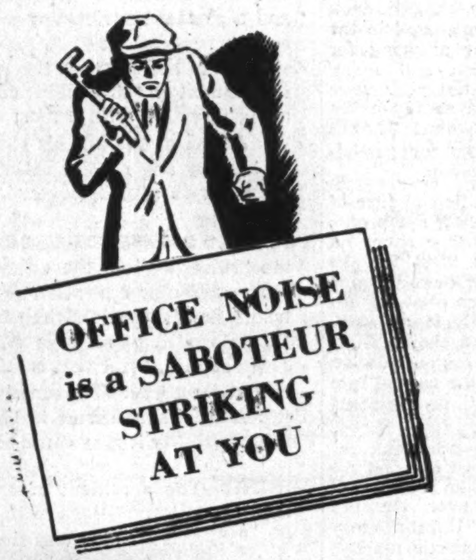
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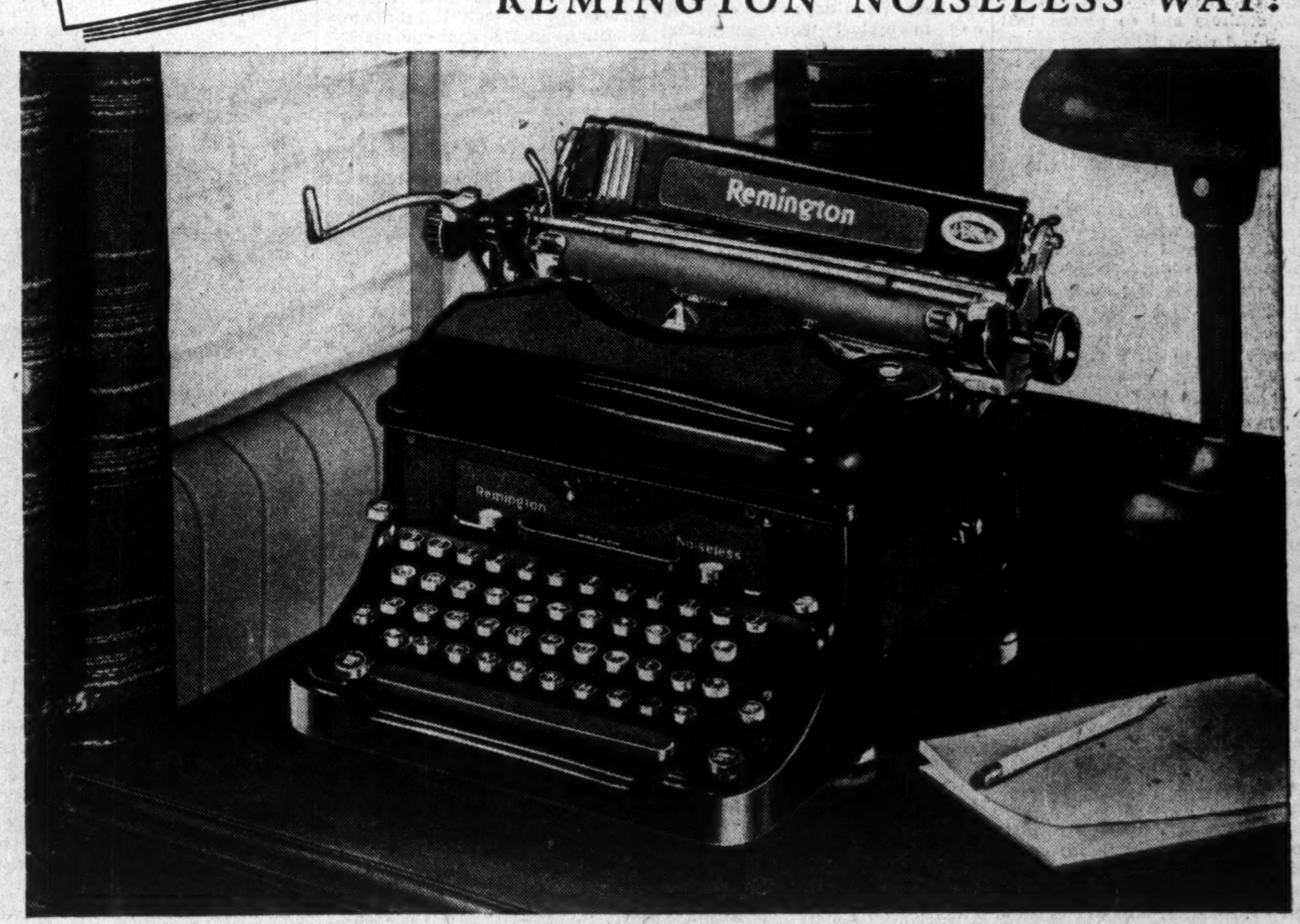

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Investment Trends

Stocks Ignore Impact Of Wage, Price Shackle

Accepted by Investors as Alternative to Serious Inflation — Need Time to Appraise Success Chances

Stock markets on this continent have passed through another week of little or no action. It is true that they did not experience the weakness of the preceding month but, on the other hand, practically no progress was made in recovering the losses of that period.

There is still no sign that Canada's increasingly tight straitjacket has brought any new fears to investors. They are apparently accepting our drastic wage and price controls as something inevitable if we are to escape the much-feared dangers of inflation.

There is no possible method yet whereby any reasonable appraisal of the probable success, or otherwise, of the latest government policy can be made. If it fails, we are again faced with the inflation threat; if it succeeds, we have probably staved off this danger.

The extent and general character of stock market moves since February this year appear to be only laying the foundation for the next major trend in whatever direction it may turn. In themselves they are of minor interest. The weight of probability seems on the side of those who hold that the current price decline—even if there has been no real indication that the bottom has been hit—provides an opportunity for attractive investment rather than the beginning of further long term declines. Day to day news has been harassing and gives little ground for increasing optimism among investors. Its character, moreover, suggests that inactive and indecisive markets may last a while yet. It is a period for patience even above the average.

* * *

Inflation Reasoning?

Another man has come forward to counsel caution in accepting the theory that common stocks are a hedge against inflation. He is John Burr Williams, author of "The Theory of Investing Value," who discusses the effect of inflation on dividends in the New York financial weekly, Barron's.

He cites three main factors—excess profits tax, rising normal income taxes, and higher reinvestment requirements—as likely to offset all but a very high rate of gain in gross earnings due to inflationary action. He holds that dividends are the main measure of investment value in stocks and dividends are threatened by the likelihood that the abovementioned adverse factors may offset any gain in earnings that is reasonably likely. Inflation, he holds, increases working capital needs as prices rise; it makes required reinvestment in plant and equipment needed to keep up with competition more costly. All of these may squeeze the balance available for dividends and unless dividends keep pace with rising living costs they fail in their function of protecting against inflation.

* * *

The Elusive Ideal

Mr. Williams admits that it might be possible to find just the right combination of inflation-combatting factors in a company. Such a concern would need to escape excess profits taxes to the greatest possible extent. It should have a small fixed investment and need relatively little working capital. If it has a bond debt, that is all right provided the maturity date is distant. It should be engaged in an unimportant industry that might be free from major government controls and so placed that strikes and rising labor costs would not cripple it. As actual examples, he mentions small hotels, garages and theatres—not the usual investment media.

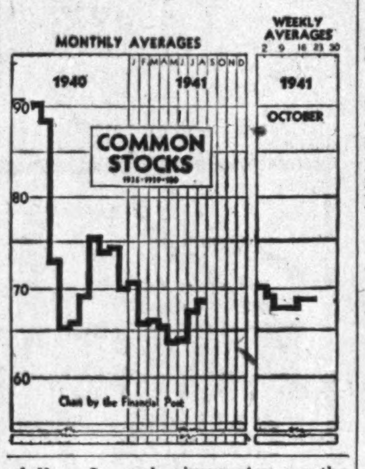
One special condition under which inflation would be bullish on most stocks, writes Mr. Williams, would be elimination of the excess profits tax at a time when the new and higher price level was present and after the adjustment required had been made. This was done in the United States four years after the last war in 1922, but in the meantime investors had to carry their stocks through the bear markets of 1920-21.

* * *

Recommends Caution

Caution and no new commitments in stocks are recommended by E. G. Bulmer & Co. in this firm's latest market comment. It will be recalled that Mr. Bulmer has written for The Financial Post a series of articles explaining his theories of forecasting stock and business price movements through a study of banking figures. In his latest letter he says:

"The sudden slackening in the turnover of money (Velocity) coming on top of the gradual decrease in the amount of free money (Quantity) that has been in effect since last October is the cause of the present decline in the composite bank line. If these conditions continue, the probabilities are that company earnings will be on a lower scale and, with amount of money available for investment decreasing, investors will be demanding a higher return on the invested dollar. In such circumstances, the policy of our subscribers should be a withdrawal from commitments until the desired level of investment return occurs.



"Our historical chart shows that a change in the direction of the composite bank line for eight weeks is required to signal a reversal of the economic pattern; any period less than that should be disregarded.

"If, therefore, the bank line continues in its present direction for six more weeks, our advice will be to sell securities. In the meantime it would be advisable to adopt a cautionary attitude and to refrain from making new commitments."

* * *

Protection Limited

Ideas on this subject of inflation and stocks, corresponding largely to those of Mr. Williams, were recently expressed in an editorial from the New York Journal of Commerce:

"Investors have long regarded the purchase of equities as one effective way to protect their purchasing power during a period of commodity price inflation. Since common stocks represent the ownership of going concerns, rather than a claim to a fixed rate of return or a fixed sum of money, it is argued, they should offer a "hedge" against a major rise in the level of commodity prices.

Common stocks do protect the purchasing power of capital when commodity prices rise sharply only if the earnings and dividends that accrue to the benefit of shareholders expand with the advance in the price level. So long as official price controls, rising wages and greatly increased taxes tend to hold down profits, it is obvious that the ownership of corporate stocks does not conserve purchasing power from the effects of price inflation.

This is illustrated by the experience of Great Britain and Canada. Despite recent moderate strength in British stock prices, share quotations there have only returned to about the level that prevailed at the outbreak of the war, although wholesale commodity prices have advanced by more than 50%.

The 100% excess profits tax has been chiefly responsible for the failure of British share prices to reflect increased business activity and higher commodity prices.

Even if commodity prices in the United States should increase materially, it is doubtful whether they would remain at such higher levels after the emergency period is over and the demand for goods falls off. Only those investors who feel that the rapid expansion of the national debt will lead, in time, to a permanent rise in the price level are justified in relying upon the ownership of industrial shares as an adequate "inflation hedge."

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg., mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.3	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	58.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Weekly Figures:												
Sept. 4 ..	78.4	78.1	72.8	49.0	107.1	92.6	101.2	81.5	67.3	90.2	73.9	69.2
Sept. 11 ..	80.0	78.1	73.0	50.8	109.6	94.0	102.6	82.5	68.3	91.1	74.6	71.3
Sept. 18 ..	82.5	81.5	75.4	54.3	109.7	94.5	105.2	84.1	70.4	91.7	76.2	73.1
Sept. 25 ..	80.7	76.1	75.3	50.3	108.1	92.5	100.9	81.5	68.2	91.8	73.5	70.1
Oct. 2 ..	80.7	78.6	78.8	52.3	107.4	93.1	102.3	82.4	69.6	91.3	75.5	71.2
Oct. 9 ..	78.5	74.5	75.9	51.3	104.5	92.1	99.4	80.0	67.3	91.0	72.9	69.5
Oct. 16 ..	77.6	75.1	75.9	50.7	104.7	91.0	97.3	78.5	67.6	90.4	72.7	68.5
Oc.t 23 ..	78.4	75.9	71.1	51.0	105.8	92.4	99.1	78.9	67.8	90.9	72.7	69.3

*High and low for year from 1929 to 1940 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Oct. 28	93.65	93.35	68.79	18.72
Oct. 27	93.82	93.26	68.92	18.61
Oct. 25	94.09	94.20	69.23	18.93
Oct. 24	94.34	94.78	69.27	18.99
Oct. 23	94.16	95.51	69.15	19.08
Oct. 22	94.32	95.77	69.53	19.16
Month ago ..	97.44	99.80	72.13	19.92
Year ago	101.54	100.61	68.86	21.43
High 1941 ...	103.48	109.76	75.30	21.62
Low 1941	85.87	93.26	59.30	16.73

Montreal Stock Exchange Averages

	10 Util	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Oct. 28	44.6	61.2	55.7	80.08	65.68
Oct. 27	44.8	61.5	55.9	80.56	66.07
Oct. 25	45.0	61.7	56.1	81.51	66.99
Oct. 24	45.3	62.0	56.4	81.40	66.99
Oct. 23	45.0	61.9	56.3	80.94	66.85
Oct. 22	45.0	61.9	56.3	81.22	67.68
Month ago .	47.5	64.2	58.6	84.70	72.68
Year ago ..	55.9	68.1	64.0	87.61	75.34
High 1941 .	54.3	66.6	62.3	88.90	79.99
Low 1941 ..	42.1	52.3	49.3	58.96	65.68

Laura Secord Sales Up 25%

Earnings Are Up 5 Cents Per Share — Inventories Double

Rising to nearly $2.5 millions, the sales of Laura Secord Candy Shops Ltd. in the year just ended show a gain of approximately 25% over last year's $2 millions sales. On a per store basis, the average sales rose from $22,955 to $28,607.

Despite increased material costs, sharply higher operating profits are shown for the year ended Sept. 30, 1941, the jump from $390,641 to $469,034 being equivalent to an increase of a little over 20%. Although depreciation charges were slightly lower and investment income substantially higher, these proved barely adequate to offset the jump in income tax appropriation from $120,000 to $209,000. Net profits on the year's operations showed an increase of $14,000, equivalent to five cents per share.

The 1941 balance sheet shows a sharp rise in the value of inventories carried. A total of $388,261 is reported for all classes of merchandise on hand, principally $288,352 for raw materials. The total of inventories carried a year ago amounted to $197,824, just a little over half of this year's figure. The increase in the costs of materials would appear to be a major factor in raising value of the inventories carried, and the other factor in increasing the inventories would appear to be the 25% increase in sales.

The total number of shops being operated remains the same as at the end of last year, 87 shops and two studios. Further details of the company's year-end accounts will be found elsewhere in The Financial Post.

Maple Leaf Net Gains

Milling Firm Reports Near Capacity Operations and Improvement

A moderate gain in operating profits of Maple Leaf Milling Co. in the year ended July 31, 1941, took this item to the highest level in the past 11 years. After allowing for increased depreciation and taxes, net profits in the latest year were equivalent to $3.61 a share on the class A preferred against $3.45 a share, before allowing for participation with the common.

When the participation feature of the stocks is considered, net profits are equivalent to $1.48 a share on the class A against $1.43 for the preceding year and on the common to 78 cents a share, after allowing for one year's class A dividends, compared with 73 cents a share. Dividends on the class A are cumulative from Dec. 1, 1938, at the annual rate of 70 cents a share with no payments made to date.

D. C. MacLachlan, president, reports greatly increased demand for flour from Great Britain which kept milling operations near capacity throughout the year. Unsatisfactory conditions in the domestic market, and particularly in respect to bakers' business which is an important factor with Maple Leaf, kept earnings down.

Must Make Payments

At the end of the fiscal period the company held $208,000 par value of its own bonds for sinking fund to reduce funded debt to $4,412,500. In this connection Mr. MacLachlan states that under the terms of the agreements with the company's bankers and the supplementary trust deed relating to the first mortgage bonds, the company is obligated to make sinking fund payments on its bonds and deferred bank loans in the amount to be determined by the company's auditors. A sinking fund payment of $313,960 is now due in accordance with these provisions. Of this amount 30%, or $94,188, is to be applied to reduce the deferred bank loans, and 70%, or $219,772, is to be used for the retirement of outstanding bonds. As of July 31, 1941, the company held $208,000 par value of its bonds, which, with others since acquired, will be used to meet this sinking fund payment.

Total assets at July 31, 1941, were valued at $14,130,908, and fixed assets, after deduction of depreciation reserve of $1,954,088, at $4,064,002. During the year the company's grain storage facilities at Toronto were increased by the erection of storage tanks with a capacity of 225,000 bushels, the new warehouse at Montreal was extended and minor improvements made to other plants. Net expenditures on fixed assets were $156,666.

Balance Sheet Changes

	1941 $	1940 $
Cash	82,772	41,971
Dominion bonds	263,750	......
Receivables:		
From U. K. Food Ministry	2,388,565	......
Other	1,256,731	1,283,864
Inventories	2,919,567	3,292,148
Current bank loans	1,625,857	2,143,551
Bills rec. under disc.	2,590,291	352,149
1st mtge. bonds	4,412,500	4,505,000

Consol. Income and Surplus Account Years Ended July 31

	1941	1940
Operating profits	1,248,531	1,211,136
Add: Invest. income ..	22,678	19,699
Gross income	1,271,209	1,230,835
Less: Bond interest ..	138,618	138,615
Depreciation	300,000	250,000
Inventory reserve	100,000	150,000
Inc., & E.P. taxes ..	400,000	375,000
Net profit	332,594	317,220
Add: Prev. surplus ..	585,370	448,950
Disc. on bonds pur.	25,074	29,461
Less. Loss on assets ..	50,000	210,261
Surplus forward	893,038	585,370
Earned per Share:		
Class A*	$3.61	$3.45
No dividends paid.		
*Before allowing for participation.		
Shares O/s:		
Class A, n.p.v.	91,997	91,997
Common, n.p.v.	250,100	250,100
Management	3	3
Working Capital	$	$
Current assets	6,911,385	4,617,983
Current liabilities	5,341,489	3,420,877
Working capital	1,569,896	1,197,106

New Wage Policy as Seen By Industry and Labor

Two distinct attitudes toward the government's new wage-fixing policy prevail, according to enquiries made by The Financial Post.

Businessmen generally support the plan. They find in it features that are undesirable but accept rigid control as a drastic measure to prevent inflation.

Spokesmen for labor, on the other hand, take an attitude in direct opposition to the plan. They claim to find in it a deathblow to collective bargaining. They want a more equitable wage level for all before the ceiling is set, according to those interviewed by The Post.

A summary of some representative industrial and labor views follows:

RUBBER MANUFACTURERS—Major companies in the rubber business have been conforming to P.C. 7440 and paying cost-of-living bonuses for some months past. In this respect spokesmen said they do not feel that their wage policies will need material revision to comply with the new order. On the whole they feel that the measures being taken to control wages and prices are a step in the right direction and said they are hopeful for its success. On the question of the wage policy, they feel that there is need for establishing of a top wage level where the mandatory bonus would stop. They also point to the handicap under which an employer rests when confronted with the existence among workers of a tendency to shop around for a job paying higher basic wages, something with which an individual employer can hardly cope in so far as his own employees are concerned now that wage ceilings have been established.

* * *

PETROLEUM REFINERS—Spokesmen for leading oil refiners profess to see little effect on their wage policy as a result of the recent order. It has been the general policy, they claim, for the oil industry to pay basic wages at least as high as prevail in industries competitive for labor with them. Cost-of-living bonuses have been paid since the early days of P.C. 7440. The mandatory bonus will mean some revisions in amount of the bonus but not greatly different than would have been done in any case. These companies operate with large capital investment and relatively low return. Their business is sensitive to rising costs and they point out that bonuses already being paid have cost several million dollars. Shareholders may feel the impact of the new wage system more than the companies themselves, unless it is successful in holding down costs, they point out.

* * *

STEEL WORKERS ORGANIZING COMMITTEE—Categorical opposition to the new order-in-council was expressed to The Financial Post by C. H. Millard, executive director and executive board member of the Canadian Congress of Labor.

"I have looked over the text of the new order-in-council carefully," Mr. Millard said. "Try as I can, I cannot find one redeeming feature. It is a blow at collective bargaining; it restricts the worker while protecting the employer.

"The order does not make cost-of-living bonuses mandatory as originally promised. It has not been joined by any similar action to restrain prices or profits. The low wage worker is victimized and the order restricts any attempt to equalize rates throughout the country.

"I am certain that the new regulations will cause widespread resentment and discontent among workers and will, therefore, seriously interfere with a most effective and enthusiastic war effort."

Asked to explain his statement that this action had not been "joined by any similar action to restrain prices," Mr. Millard said the order-in-council governing prices had not been issued yet.

* * *

TORONTO DISTRICT LABOR COUNCIL—The order would perpetuate "chiselling" in the opinion of William Jenoves, president. He took particular exception to the clause exempting in the building trades employing less than ten workmen.

"Chiselling has been going on since time immemorial," Mr. Jenoves said, "and will continue. My reaction to the whole thing is that they haven't given sufficient thought to the working man's problem. There seems to be a lot of misunderstanding, and there is a possibility it may cause some unpleasantness."

* * *

MINING—The president of a gold mining company gave his comment as follows:

"When P.C. 7440 was first implemented I said the government had embarked on a potentially dangerous experiment, whose results could not readily be foreseen. I thought that the government would stop short of making its policy completely effective.

"The new price ceiling sounds fine but success of the government's policy is again dependent on the vigor with which it is enforced and the men placed in charge. The wage policy appears fair too, but I am afraid the government cannot be trusted to make this new policy effective. The government has given in to labor so often that we can hardly expect to find firmness in the present situation no matter how much firmness is required, particularly in handling the C.I.O.

"The Dominion government, for instance, apparently does not realize that in Kirkland Lake, the C.I.O. plans a battleground that will not only decide the C.I.O. issue in the northern mining country but perhaps in all Canada.

"If the Dominion government wants to make its price ceiling policy effective, it must deal much more firmly with the C.I.O. problem than has been the case at any time in the past."

* * *

CHAIN GROCERY STORES—One of Canada's large chain-store organizations reports that from a preliminary study, the new order will not bring major changes in its labor policies. Although not now paying the "cost-of-living" bonus in the formal manner decreed by the order, a key official informs The Financial Post that the company has been granting wage and salary increases in excess of those required on a purely cost-of-living basis.

These increases in pay have been followed on the principle that the employer has to keep pace with wage rates in other trades and industries if he is to retain good workers. The new order at first glance promises only to regularize the existing policy and bring it into harmony with other industries. However, they admit that the effect of the order-in-council will not be known in full until the working regulations are made known and tested by practice.

* * *

FLOUR MILLING—A leading milling executive, interviewed by The Financial Post, stated that the labor order does not as yet clear up a highly important detail of the practical working of the plan. In the milling industry, most companies have granted pay increases, but in some, the increase has taken the form of cost-of-living bonuses, in others basic wage rates have been increased. Addition of bonuses to these rates would mean a higher total wage payment by the companies which had raised basic wages than for the units now raising pay by the bonus system.

Unless some standard is set for the industry, either a return to the original basic rate, or establishment of a new common base for bonus payments, competitive conditions are likely to be disturbed. One company will have a higher wage ceiling than another, and would be able to attract workers to a greater degree, and at the same time, this company would have higher production costs.

* * *

MEAT PACKING—Unless in the practical application of the new labor order-in-council, new factors and regulations develop, there is little in the order to alter personnel policies of large units of the packing industry. These companies state they are already operating in strict accord with P.C. 7440, and will presumably continue that policy unchanged.

* * *

WOOLLEN TEXTILES—As wide a variety of methods for meeting the wartime wages problem has been followed in the textile trades as in other industries. In some cases companies instituted wage increases as far back as 1939. One of the larger woollen manufacturing companies has since adjusted its wage adjustment plan in the light of P.C. 7440 and as a result expects little change in its basic policy as a result of the new order.

It is expected that at least one cause of friction between labor and management will be removed by bringing the various wage adjustment plans to a common basis. As in the case of other industries, the precise technique of attaining this uniformity is as yet not clear. Presumably, the standardization of wage policies will depend largely on the policies adopted by the regional and industrial consultation boards.

Since they import from 75% to 100% of many basic materials, the textile companies generally are withholding judgment on the effects of the wage regulation until they see how the companion, price-ceiling order will be drawn up.

* * *

TRUST AND LOAN—These companies do not have to await the price-ceiling order before determining the effects of the new economic programme. Generally speaking, the prices of their services for loans are fixed by interest rates in the general market, while their trust and estate income is largely determined by the courts. The labor problem is not of acute proportions and many companies have already been paying the cost-of-living bonus, although in few cases has this been carried out by the precise methods of the new order-in-council.

* * *

VANCOUVER TRADES AND LABOR COUNCIL—A spokesman said "The government is riding rough-shod over everyone," adding that in his opinion the government would experience great difficulty in enforcing the new regulations. Another coast labor leader said that consideration should be given to the pegging of profits and even to the principle of pegging prices, but nothing but regret can be felt for the government's decision to establish a ceiling on wages, thereby freezing the income of the worker at a level "far below present-day requirements."

Saguenay Pwr. Income Lower

Water Shortage in Third Quarter Reflected in Lower Power Sales

MONTREAL.—Shortage of water and consequent lower power sales are reflected in the operating revenues of Saguenay Power Co. for the third quarter of 1941.

During the three months ended Sept. 30, operating revenues totalled $1,385,040 as against $1,462,975 in the like period a year ago. After provision for all senior charges, net profit available on the common stock was equal to 68½ cents a share, as against $1.22 a year ago.

Moderate Drop in Net

To the end of September, 1941, the company reports an operating revenue of $4.1 millions, an increase of $118,000 over the same period of 1940. Against this, operating expenses increased by $268,000. The sharp gain in expenses was due to the inclusion of a number of nonrecurring items, which tended to pull down earnings on the common stock for the nine months to $2.20 a share. During the first nine months of 1940 earnings on the common stock amounted to $2.97 a share.

Comparative figures on the consolidated income and expense account for the three months and nine months ended Sept. 30, 1941 and 1940, respectively, follow:

Cons. Income and Expense Account Three Months Ended Sept. 30

	1941 $	1940 $
Oper. revenue	1,385,040	1,462,975
Less: Oper. expenses .	318,059	263,298
Other income	20,616	7,878
Net revenue	1,087,596	1,207,554
Less: Bond interest ..	362,271	367,083
Other interest	......	6
Bond discount	44,144	44,144
Exchange	87,576	9,546
Depreciation	183,980	180,150
Income & E. P. tax.	197,251	280,952
Net income	212,374	325,672
Less: Pref. divds.	68,752	68,752
Com. divds.	157,500	420,000
Deficit	13,878	163,080
Previous surplus	3,720,538	3,805,554
Surplus forward	3,706,660	3,642,474

Nine Months Ended Sept. 30

	1941 $	1940 $
Oper. revenue	4,116,651	3,998,282
Less: Oper. expenses .	1,043,139	775,387
Other income	57,744	42,157
Net revenue	3,131,256	3,265,052
Less: Bond interest ..	1,090,021	1,104,458
Other interest	204	216
Bond discount	132,432	132,432
Exchange	49,962	-52,379
Depreciation	549,605	539,335
Income & E. P. tax.	640,911	605,200
Net income	668,121	831,032
Less: Pfd. divds.	206,255	206,255
Com. divds.	472,500	630,000
Deficit	10,634	5,233
Previous surplus	3,717,294	3,647,697
Surplus forward	3,706,660	3,642,474

J. S. Mitchell and Co. Elects New Officers

From Our Own Correspondent

MONTREAL.—George B. Murphy has been appointed treasurer of J. S. Mitchell Co.-Ltd., while Carroll S. Ives has been added to the board of directors, according to a statement issued by John C. Newman, president, following a meeting of the board of directors. Mr. Murphy succeeds the Hon. Gordon W. Scott as treasurer, while Mr. Ives replaces the late Winfield P. Rabley on the board.

Ontario Steel Prod. Pays 25c Dividend

Ontario Steel Products Co. has declared a dividend on its common shares of 25 cents a share, payable Nov. 15, 1941, to shareholders of record Nov. 3. The last previous payment was 50 cents a share on Aug. 15 this year. The latest declaration will bring total payments for 1941 to $1 a share, the same amount as paid for 1940.

Foreign Exchange

During the week Oct. 21 to Oct. 27 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Oct. 27

Australia ...	3.58	N. Zealand .	3.61
India	.3353	S. Africa ...	4.47
Hong Kong .	.2835		

3¾% Interest Return

Province of Quebec
3¾% Debentures due February 1st, 1951.
Denominations: $500 and $1,000.
Price: 100 and accrued interest.
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Market Opinions

Generally a policy of waiting is advocated in opinions expressed regarding stock market trends this week:

Barron's, N.Y. (The Dow Theorist)—The student of markets at the moment will hardly be surprised if the current rally in the Dow-Jones industrial and railroad averages is interrupted fairly soon by a test of the Oct. 16 lows (118.52 in the industrials and 27.80 in the rails). If on such a test these price levels hold, a favorable buying opportunity will have been provided. But if new lows are made for the secondary decline which began this summer, 1940 bear market bottoms (111.84 and 22.14) will again be threatened, and that test will determine whether the primary bear market, which began in Sept., 1939, is to be reconfirmed. The latter would be the case if both averages fell below these 1940 lowest levels.

This decision in any case seems unlikely to take very much longer, since the period of falling prices has already lasted twelve weeks. Movements of secondary proportion do not often last much longer.

* * *

Brookmire Counselor, N.Y.—Business activity is running at a high rate, although defense restrictions are creating more selective conditions. Dividends are giving a rather generous return to stockholders, even though the rising trend of earnings is affected by increased taxes and other costs. Clients should continue to steer a middle course: that is, hold on to the moderate cash recently raised, while maintaining remaining positions in sound, well-diversified stocks.

* * *

Barron's, N.Y. (The Trader)—War markets are traditionally draggy. Clarification of 1941 tax schedules naturally cannot relieve apprehension over the nature of 1942 levels. The attitude of Congress thus far shows no intention to kill the golden goose of industry. If all the uncertainties of a war era could be dissolved, stocks would not be selling at the present levels. The time to buy is when apparent risks are heaviest. In an accumulation period, patience is requisite. The transient factor of sentiment must be ignored.

JOINS MONTREAL CURB MARKET

From Our Own Correspondent

MONTREAL.—W. R. Bricker of W. R. Bricker and Co., Kitchener, Ont., has been elected a member of the Montreal Curb Market.

Ogilvie Flour Awards $350,000 Contract

Ogilvie Flour Mills has let a $350,000 general contract with E. G. M. Cape and Co. covering new construction to be undertaken in Montreal. This fall the company is putting in the foundation for a warehouse, office and laboratory It will be a combination unit. Present plans call for the raising of the superstructure next spring. In addition, the company will erect an elevator, but at the moment the plans do not call for work on the foundation.

C. I. L. Buys Property For Winnipeg Unit

From Our Own Correspondent

MONTREAL. — Canadian Industries Ltd. has purchased from Building Products Ltd. its buildings on Midland St., Winnipeg, for approximately $40,000.

Possession of the property will not be taken until next May when certain alterations will be undertaken to convert the buildings into suitable office and warehouse space to serve the chemicals and fertilizers divisions, which are now housed in various properties in the city.

FOR SALE
WINNIPEG WAREHOUSE
One-storey and basement brick building, 100 x 300 feet. Basement ceiling 9 feet, main floor ceiling 12 feet. Freight elevators. C.P.R. spur track. Price $45,000.00.
OLDFIELD, KIRBY & GARDNER LIMITED
Established 1881
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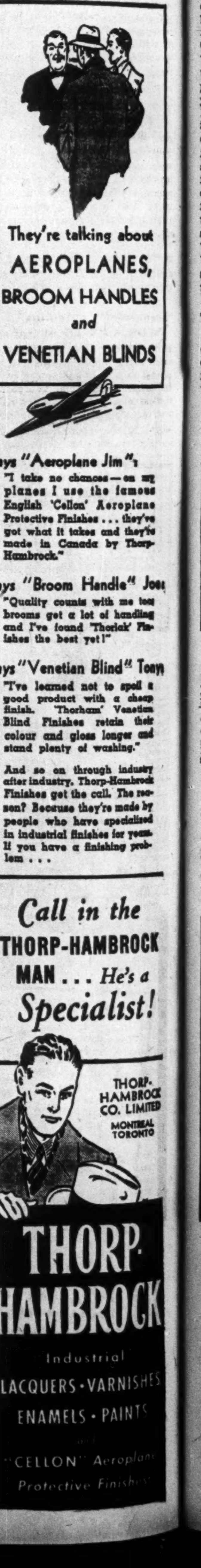
They're talking about AEROPLANES, BROOM HANDLES and VENETIAN BLINDS

Says "Aeroplane Jim":
"I take no chances—on my planes I use the famous English 'Cellon' Aeroplane Protective Finishes . . . they've got what it takes and they're made in Canada by Thorp-Hambrock."

Says "Broom Handle" Joe:
"Quality counts with me too brooms get a lot of handling and I've found 'Thorlak' Finishes the best yet!"

Says "Venetian Blind" Tony:
"I've learned not to spoil a good product with a cheap finish. 'Thorham' Venetian Blind Finishes retain their colour and gloss longer and stand plenty of washing."

And so on through industry after industry. Thorp-Hambrock Finishes get the call. The reason? Because they're made by people who have specialized in industrial finishes for years. If you have a finishing problem . . .

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Bond Markets

Strong Tone Returns To Dominion Markets

High Grades and Speculatives Firm as Ceiling Order Digested — Dominion Refunds at 1¾% — Strong Secondary Market in Victory Loans

After digesting probable effects of the new price and wage ceiling order, bond markets in the past week have resumed the general pattern that was apparent previously. If there are to be adverse influences in the new order, it is apparent that none of them is directed specifically at bond markets. The market assumes exemption of security prices from the ceiling order, thus removing the only important cause for hesitation in the outlook.

Throughout, the tendency in the past week has been toward stronger bond prices. The Province of Ontario issue for $10.5 millions is reported to have been placed immediately with large investors, principally institutions. Other signs of strength occurred in governments and in corporation issues, with discount bonds again coming into favor.

Absorbing Victory Loan

A number of dealers report considerable activity in the secondary market for Victory Loan bonds. At the time of the loan the amounts absorbed by institutional investors were sometimes in excess of their ability to carry for an extended period, while many private investors have increased their investment funds since the loan and are able to take on heavier commitments.

A considerable amount of trading between this type of investor and the larger institutional buyers is reported to be going on. In addition to cash buying the private buyers are trading existing holdings for Victory's. The difference in tax status of such institutional investors and private individuals, makes the transaction profitable from both sides.

The private investor pays income taxes based on the actual amount of coupons received, no allowance being made for the true yield on the investment. Thus the holder of a 6% bond pays twice the tax he would have to pay on a 3% bond, although the two securities might be priced to give him exactly the same yield. But on the income from funds held as reserve for policyholders insurance companies do not pay income tax, while in other cases the institutional investor is allowed to amortize his investment in calculating taxes. Consequently, high-coupon bonds are acceptable to the institutional investor, and a basis for trading is built up between the institutions and the heavily taxed private investor. It is reported that this trading has been of considerable assistance in aiding the secondary distribution of the Victory Loan.

* * *

"Economist" Complains

The London "Economist" has added its voice to the complaints of other British publications on the manner in which announcement of the Montreal financial reorganization was released in the United Kingdom. According to the "Economist" many British bondholders had scarcely realized that a reorganization was being planned, and the first news to reach London was that terms had been announced, but the details of the terms were not reported.

The "Economist," in advance of the terms which are reported in detail elsewhere in this issue of The Financial Post, expressed the hope that the reorganization would provide more generous terms than those of other Canadian cities, and that it might prove advisable for the city to "invite and obtain assistance from the Dominion Government." Supervision and, if necessary, the assistance of municipalities has been a provincial function since Confederation.

Whether the terms announced will prove satisfactory to the British investor is not possible to determine as yet. The planned rate of 4% is somewhat lower than that at which the majority of municipalities have recently refunded, but the premium to be paid on conversion of higher coupon obligations of the city is an important compensation. The fears of British investors over possible further losses of dollar income are understandable in view of the continuing repatriation of dollar securities.

* * *

Dominion Refunding

The latest weekly balance sheet of the Bank of Canada shows a gain of $103.3 millions in long-term bond holdings, bringing the total to a record high of $229.5 millions. While the bare figures would appear to indicate that the Bank has been called upon to support the high-grade bond market to that extent, actually the change in the Bank's holdings does not reflect any alteration in the market position.

Two years ago the Dominion government met some of its early war financing problems through the issue of $200 millions of 2%, two-year notes. Last week these notes fell due and were replaced by three-year 1½% notes. The new issue has been put out at a field basis of 1¾%, a substantial improvement over the yield basis of the earlier issue, particularly in view of the longer term. Apparently about $95 millions of these notes ended up in the Bank's portfolio, since its short-term holdings decreased by this amount at the same time that the long-term holdings advanced.

Classified Advertisements

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100 ACRES in Markham Township as a going concern, underdrained, wonderful soil, creek, 14 acres bush. Frame house, 2 baths, new hot water heating system, hip roof, bank barn (showers in barn for men), new Case Tractor, etc. On pavement. Low taxes. Clear. Immediate possession. Would consider house in Rosedale, Moore Park or Lawrence Park. Principals only. For further information apply: J. A. Willoughby 156 Yonge Street, Toronto. AD. 0605.

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FEATURES

in the November issue

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TORONTO - BRANTFORD

BRANCHES FROM COAST TO COAST

Hydro Power Supply Grows

To Add 6,000 c.f.s. to Niagara Diversion—Cut Power Waste

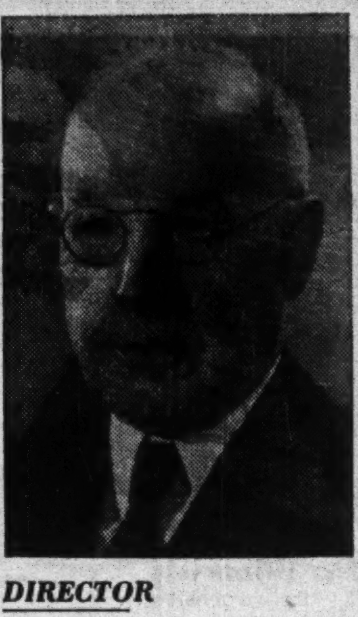
As previously indicated in The Financial Post, an agreement for additional water diversion to power plants at Niagara is in the final stages of preparation and will probably be announced within the next day or so.

The new agreement will permit the Ontario Hydro to divert a further 6,000 cu. ft. per second, while power plants on the American side of the border will be allotted 7,500 c.f.s. more than they are at present using. A substantial part of the new power potential will be allocated to the existing demand on both sides of the border, while a balance will be on hand for the Ontario Hydro system which will not be utilized to the full until further industrial activity develops between the hours of midnight and approximately 7 a.m. Present generating equipment is for the most part fully employed in the remaining hours.

Cut Illumination

In addition to the added power production potential, Hydro will relieve current shortages to some extent by stopping illumination of the Queen Elizabeth Way, and possibly the colored illumination of the Niagara Falls. Early winter darkness is bringing peak loads earlier in the day, and while there would still be power to spare later at night, illumination at the time needed for highways and the Niagara Falls is a serious drain.

In line with the suggestion of the Power Controller, further extension of existing lines to serve residential or rural consumers has been brought to an end. For new suburban residential projects, now under construction, some exceptions may be made, but each case is to be dealt with on its own merits. Distant rural communities, not as yet served by Hydro are not likely to get service until the war is over. It is pointed out by Hydro officials that this step has been taken with the greatest reluctance, not only in view of the long-term policies of the Commission, but because of the increasingly pressing need for electricity in wartime. Many of the farmers now applying for electricity are in dairying areas, some in regions where conditions have been depressed. The draining of man power from these areas has been greater than elsewhere, and farmers are increasingly forced to work at night.



DIRECTOR

Dr. J. G. MacDougall, F.R.C.S., of Halifax, has been elected a director of the Bank of Nova Scotia. He is president of the Maritime Life Assurance Co. and a director of the Halifax Insurance Co.

Gurd Unit To Liquidate

Parent Firm Withdraws Financial Support From Enterprise

From Our Own Correspondent

MONTREAL.—Directors of Chas. Gurd & Co. (Maritime) Ltd., controlled by Chas. Gurd & Co., have decided to liquidate owing to continued losses and withdrawal of further financial support by the parent company. D. L. Ross was appointed provisional liquidator until the creditors meeting Oct. 31.

Chas. Gurd (Maritime) was incorporated in New Brunswick in 1928 to serve the Maritime trade and exports to Newfoundland, Bermuda, the West Indies, Central America and the northern portion of South America.

Over $150,000 Invested

The company erected a $150,000 bottling plant in Saint John.

Capital consisted of $150,000 of 6½% cumulative preferred, of which the parent company owned $20,000. In addition there were 2,100 shares no par value common stock of which 51% was held by Chas. Gurd & Co. Regular dividends were paid on the preferred stock until Sept. 15, 1932, at which time they were deferred.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Montreal Refrig.	▪6%	1947	Dec. 1	par
H. Walker deb.	4½%	1945	Dec. 9	102
Eastern Car ...	*6%	1952	Jan. 1	105
Dufferin Pav. ...	†5%	1955	Nov. 30	105
Mississippi R. Pr.	‡5%	1951	Jan. 1	105

†A debentures. * $45,000. ‡$148,600.

▪All outstanding balance. Company will purchase bonds prior to the redemption date at 102, including accrued interest.

Bond Tenders

Nov. 7, Village of Rockcliffe Park, Ont.—$15,400, 3½%, 15 years.

12 noon, Oct. 30, Canada Treasury Bills—$45,000,000, dated Oct. 31, 1941, payable Jan. 30, 1942.

Deny Premise For Price Ceiling

Economists Sceptical of Inflation Bogey

Herewith The Financial Post presents a digest of opinions about the new Ottawa wages and price ceiling order requested from some of Canada's most distinguished economists. They have requested that their names be not used.

Readers will recall that a fortnight ago in an article with respect to the prospects of halting inflation, similar scepticism of controls such as now in force, but at that time only vaguely rumored, were expressed.

These views are presented as newsworthy but are, of course, not necessarily those of the Post.

It is too early to make dogmatic predictions on the full effects of the new ceiling orders. The real effects and the lasting impact on Canadian business will only become apparent in the actual steps, rulings and decisions that are adopted in putting the measure into practice.

But certain facts are definitely known, students of the legislation declare. Briefly, they outline them as follows:

1. The ceiling policy is a culmination of a trend which began in 1939 when the government ranked inflation as a major public danger and the inflation bogey is of very questionable importance compared with the steps taken to suppress it, these men declare.

2. The government has adopted a "last resort" measure of inflation control before attempting other methods, such as the forced lending measures that have been adopted in Great Britain, Australia and New Zealand.

3. The most important political and financial step of the war has been taken without consultation of parliament or public discussion. "A step that could lead to an economic dictatorship was rushed through two weeks before parliament's next session begins, yet the wage ceiling does not come into effect until next February."

Inflated Dangers

Ever since wool and butter prices got out of hand because of temporary shortages in the early months of the war, two major objectives have been apparent in government policy. First has been to prevent "inflation," second to eliminate profiteering.

Neither of these dangers has at any time deserved the importance given them by the government, these economists believe. Profiteering is only likely to develop through incompetent buying policies at Ottawa. Inflation is only likely to reach the extreme proportions of the German experience under conditions similar to those applying in Germany 20 years ago, it is argued. The most important of those conditions was military defeat and subsequent chaos. True, there was a degree of inflation in the victor countries, but this only became acute in the nations which followed the easy way of borrowing to finance the war. Where pay-as-you-go policies were reasonably adhered to, inflation became a serious, but far from disastrous, consequence of war, it was declared.

In other words, according to these views, what is really a remote contingency has been blown up into a pressing and vital danger. To combat this remote contingency Canada has adopted a policy which, if followed through, will revolutionize the business methods that have built up the nation, the only methods which businessmen are trained to apply.

Business Revolution

From now on, if the new order is strictly enforced, executives will have to look to Ottawa for the permission to expand, to alter prices, to change wage policies.

While this may seem to be an excessively gloomy forecast from the amount of factual information now available, these economists maintain that the most important feature of all attempts to regulate prices is the way they extend from one commodity to another, far beyond the original intentions of the price controllers.

When one commodity is pegged, similar action must be taken with half a dozen others which enter into its production, and often a long list of competing or substitute products have to be controlled. The course of the second bacon agreement with Great Britain is cited as a good example of the wide ramifications of fixing the price on one commodity.

The agreement with Britain was "fixed" at $15.82 per hundred pounds for the duration of the contract. Before the contract was filled, the price had to be stepped up by successive stages to $19.60, freight rates on feeds from the West had to be borne by the Dominion and provincial governments, exports of mill feeds had to be banned, exports of hogs to the United States had to be placed under embargo, provinces had to subsidize hog production, the Dominion had to subsidize the growing of feed grains instead of wheat. Instead of being a simple agreement between Canada and Great Britain, the second bacon deal gradually developed into a vast web of government control over agriculture, upset half a dozen businesses before it was successfully completed, it was stated. If the price had been flexible through the agreement, stepped up when hog-marketings threatened to drop, these government excursions would not have been necessary.

One Peg Leads to Others

That is the sort of thing that is likely to develop on a tremendous scale as a result of the new ceiling policy, it is feared. Each price peg will distort the operating conditions in fields where it is least expected. The extent of the damage, of regulations to offset other regulations is utterly beyond prediction.

It is too much to expect that 5,000 competent men are freely available for the police job required, it is claimed. They may have to be drawn from positions where they are presumably indispensable at present. Worse still, and more probably, the police force may be made up of men not fitted by experience or training to handle the job given them. In any event, at a salary of $2,000 a year, they would cost the country $10 millions that could have gone into war production. Their superior officers, their equipment, office space, etc., will probably mean that we are spending at least $20 millions a year on project that does nothing toward actively and directly winning the war. Men diverted to this service will amount to nearly a third of a division.

Two Home-front Objectives

Ottawa is letting the inflation bogey ride us to the extent that it tends to obscure the real objectives of our war programme, some economists think. At present, so long as Canada remains more of an arsenal than a front-line fort, we have really two basic home-front objectives:

1. An engineering project, to create and supply war materials and foodstuffs of the most effective types, in the most effective quantities, with the least possible delay.

2. A psychological project, to make sure that Canadians are solidly behind the war effort, that labor is putting its back into war production, that executives and engineers are given full scope for their initiative in dealing with the thousands of technical problems that are developing.

On the first question we had already the most important government aid to dealing with the engineering problem—priorities. In all essential lines, war orders have come first, the consumer second. It is argued that freezing wages and prices will do little if anything to further this cause. If the new strait-jacket hampers executive decisions, makes business wait until government okays the plans of management, it will do much to slow down production.

Improved Psychology

On the psychological front it is difficult to see how the situation can have been improved, this view holds. Businessmen who have to run to Ottawa, or to some newly appointed government employee, for authorizations are not likely to find their business problems eased or their initiative stimulated.

The extension of cost-of-living bonuses to all industry removes the employing advantages of the war industries, and the incentive to take up war work is correspondingly reduced.

Dangers of Isolation

From the point of view of post-war reconstruction, isolating the Canadian economy from rest of the world in order to protect us against inflationary influences beyond our borders is likely to slow down the eventual readjustment, it is claimed. The depression in the Canadian west and the slow recovery throughout the Dominion is a sample of what can happen when prices and costs in one country get out of line with world levels. If we close the country more tightly, Ottawa price controllers will lose the adjusting influence of world markets.

It is a virtual certainty that the two countries will be more widely separated than ever before by artificial restrictions and will have a slower and more painful readjustment, it is maintained.

In the meantime fixing the price-tags on goods will do nothing to increase production, which higher prices would still do in a number of key commodities. Examples cited include wages, still apparently not high enough to attract new women workers to industry in the numbers needed. Prices are apparently still not high enough for the agricultural community to retain farm workers. Until a point considerably closer to "full employment" is reached, further price and wage increases appear desirable in the interests of larger production.

It may be that further price increases are not desirable, it is agreed, but if this point has been reached it is time to try some of the plans for sterilizing purchasing power, enforced lending, for example. If Canada is really at the crucial point in the inflationary trend, it does not appear desirable to add to our problems by extension of the wage bonus system, they said. And if the price ceiling is really to be effective, it goes without saying that no further bonuses will have to be paid. Certainly, the freezing of the economy is a step that could wisely have been delayed until all other avenues had been proved inadequate.

Fixing the price-tags on all Canadian merchandise will not insulate Canada from the costs of war, and won't keep up living standards in the face of war production. It is more likely to bring reduced quality, lack of confidence in the merchandise. Ultimately it may bring the dollar itself into disrepute.

But that there will be frequent attempts is obvious from those that have been made to dodge the effects of the present comparatively mild restrictions. The experience of the prohibition era may serve as a warning to the government to keep its regulations within the bounds of public tolerance. Nothing could be more harmful to the war effort than for the government to bring itself into disrepute by ill-conceived laws.

Fear Red Tape

In effect, no amount of regulation can change the basic supply-demand facts of economics. But instead of higher prices acting directly to bring their own corrective in terms of increased supplies, the Government has interposed a barrier through which price increases can only perform their economic function after half a dozen officials have been convinced of their necessity. What was once a free and active medium of adjustment has been strangled in red tape.

How, in this frozen economic structure, the Government expects to attract the new workers, the new energy and initiative which have helped us win other wars, and have built up our industrial fabric, is a mystery. Far more likely, the new policemen will antagonize and frustrate the business community, will make for decreased output rather than peak production.

Whaling Fleet Catch Record

Canada's whaling fleet has returned to Victoria, B.C., after a record catch of 328 whales by the six vessels of the Consolidated Whaling Corp. This season's catch, the largest in some years, is said to be a third greater than 1940 when the whaling fleet caught 220 whales.

Products of the whaling fleet are used in Canada and the United States. Normal markets in Great Britain are cut off due to shipping difficulties. Prices for the oil and kindred products this year are stated to be lower, but the greater catch and increased production is offsetting this.

Hiram Walker Buys Maryland Distillery

Hiram Walker & Sons, U. S. subsidiary of Hiram Walker-Gooderham & Worts, has purchased control of the Frank L. Wight Distilling Co. of Maryland. The assets include an inventory of matured liquors and a modern distillling plant

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Sch. Comm. of Val-Morin, P.Q.	Sept.	Societe Generale de Finance	4%	1942-61	$14,000	98.53	.....
Village of St. Leonard de Port Maurice, P.Q.	Oct.	L. G. Beaubien & Co.	4% & 4½%	1-25 yrs.	65,000	98.60	.....
Brockville, Ont.	Oct.	Bank of Toronto	3%	1-5 yrs.	4,500	100	.....
Twp. of Saltfleet, Ont.	Ont.	F. L. Craig	3½%	1942-56	12,000	101.80	3.25%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Maclaren-Quebec Power Co	Oct.	Sold privately	4%	1959	$750,000	98	.....

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Increased Horsepower!
New Chassis Frame!

BUILT TO LAST A LONG, LONG TIME!

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Now is the time to buy your new Dodge and enjoy the very latest in engineering and design. Dodge Dependability is more important to you now than ever before because you may want to drive your new car many thousands of extra miles.

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You may approach the purchase of your new Dodge with complete confidence in its enduring value.

You can go to your Dodge dealer and investigate these cars for yourself—his cordial invitation means a pleasant ride in a remarkably beautiful and comfortable automobile. See him to-day!

FEATURES OF THESE NEW DODGE CARS!

New, roomier, more comfortable body ... Full width running boards concealed by door skirtings ... Increased horsepower ... Many new gasoline and oil saving improvements ... New chassis frame that permits lowering the body 1½ inches without loss of headroom ... Stone guards, both front and rear ... Modern design of radiator grille ... Large luggage compartment ... Tastefully trimmed interiors with beautiful new instrument panel ... Full Floating Ride ... Dodge double-action hydraulic brakes ... improved Oil Bath Air-cleaner ... Oil Filter ... Safety-Rim wheels and scores of comfort and safety features.

The Editorial Page . .

Can't Win Without Fighting

There are few Canadians who would welcome an appeasement peace with Germany. They have seen the fate of too many countries who harbored that idea. They realize that any peace, short of complete victory, would simply mean a breathing spell, while Hitler mobilized the industrial resources of conquered Europe for an all-out assault against the British Empire, the United States, and South America.

But while this point is realized, some people still persist in hoping for, if not expecting, some miracle that will oust the Nazis without any real fighting on our part. They still persist in believing that the Russians will be able to do this fighting for us, unaided except for some material assistance from the democracies. They hope for spontaneous revolution in the conquered countries of Europe, in Italy, perhaps in Germany itself.

This sort of thinking is dangerous, fatally dangerous. It interferes with the development of a full-out war production now. It weakens preparations for the inevitable military offensive against the might of Germany, which must precede any Nazi breakdown. This point was made abundantly and brutally clear by Percy James Philip, Ottawa correspondent of the New York Times, in his forthright address to the Empire Club in Toronto last week. Mr. Philip who, a little over a year ago, personally witnessed the collapse of France, told his audience:

> "Hitler has overrun Russia. He has not reached Moscow and taken Leningrad but he has occupied or is nearing all the richest agricultural and industrial parts of that vast country. The oil fields are only just beyond his grasp. Nothing that the Russians can do from beyond the Volga and the Urals is of any more use to us than an unexploited iron mine. The help that we and our friends in the United States talked about sending, and that we at least did actually send, has arrived too late. Too late—as we were in Norway, too late as we were in France, too late as we were in Greece.
>
> "Let us stop talking and thinking wishfully and get it into our minds that we have still to meet on the battlefield an enemy who has conquered fourteen countries, who commands all the resources of Europe, who can send far more millions of highly trained, war-hardened men into battle than we can muster, who is ingenious and tremendously hard working, who has a real war plan and is utterly ruthless in pushing it through, and who has such a fanatic determination to win as we have not yet begun to feel or to show."

If we are to stave off defeat next year and win the war the next, then we must stop this self-deluding practice of over-emphasizing local Russian counter attacks and British night raids while soft pedalling crippling enemy advances. The plain truth is that this war cannot be won without fighting and without fighting on our part.

We need all the help that Russia, the United States, and the oppressed people of Europe can give us, but we will have to fight too.

And if the fight is to be won quickly and without a staggering price in blood, we must build equipment for this fighting as we have never built it before.

Where's the Saving?

Periodically certain enthusiastic socialists pass resolutions calling for the municipal distribution of milk. They would replace or supplement the present privately owned and operated dairies with a system of publicly owned plants.

Sponsors of such an idea presumably have not read the financial reports of most of the dairy companies operating in this country. These almost invariably show that there is certainly no great profit to be made out of the milk business and therefore no substantial potential saving for either the municipality or the consumer. But that is only part of the story. These sponsors again presumably are not familiar with the dismal record of municipal ventures into very similar fields. On these two points a recent editorial in the Labor Leader is most enlightening. States the Leader:

> "We notice that the Housewives Consumer Association of Toronto, together with the Toronto C.C.F. council, is advocating a publicly owned milk distribution plant for Toronto.
>
> "Both these organizations seem to entertain the idea that if we had a municipal milk department operated by civic fathers from the city hall, we could get better and cheaper milk. If experience counts for anything, the odds are we couldn't. In the first place Toronto is already getting better, cheaper and purer milk than most cities of comparative size on the American continent.
>
> "Furthermore we have a government-appointed Milk Control Board that sets the price for milk sold to the consumer, and the price paid to the farmer, and just how a municipal milk distribution plant could do more than this is past our comprehension. The arguments advanced by the Housewives Association and the C.C.F. have all the ear-marks of a similar agitation we had in this city some 25 or 30 years ago.
>
> "In those days it was the packing houses that were the villains in the piece, and the demand was for a municipal abattoir which could be depended upon to scotch the packing house barons. Well, we got our municipal abattoir, and so what? We do not know just how much our municipal abattoir has cost Toronto citizens since its inception, but from what we can learn it has always been a white elephant. And did it give us cheaper and better meat? Most emphatically it did not!
>
> Neither would a municipal milk plant give us cheaper milk, for the very simple and amply proved fact that publicly owned projects invariably cost more to operate than similar enterprises run by privately owned companies."

The Financial Post's Platform For War

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political considerations.*
2. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of a non-political industrial executive with complete authority to organize and direct procurement of munitions and supply.*
4. *Pay-as-we-go policy to the very limit consistent with an all-out war effort.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *A national programme to deal with post-war employment and relief problems.*

Winning the war has become the focus for all effort, national or personal, in Canada. It requires full mobilization of the nation's material and spiritual resources.

To the fullest degree this should be achieved by individual effort, freely made.

Strong national leadership will inspire service and sacrifice. In turn this will reduce the need for regimentation and compulsion.

Restrictions Emphasize Man Power Shortage

Restrictions on installment buying emphasize the fact that man power and materials will win this war. We have reached the stage where civilian demands cannot be allowed to compete with the government in the use of materials and man power. By curbing installment sales, the government moves forward in its plans to divert more materials to the needs of the armed forces and transfer the man power necessary to turn out non-essential goods for civilian consumption to other channels where it will be of greater use.

The problem of limiting civilian consumption of essential goods has not arisen suddenly. The public has been educated up to the point where if it does not fully understand, at least appreciates the need of making available more and more materials for the war effort. It is to be questioned however, if the government is approaching the problem from the right angle. The announcement of the restriction on installment sales was interpreted to the public as a move to "tighten the hold on the pocketbooks of people" and to "divert more production and a bigger share of the national income to the war effort."

This, to repeat, is a war of man power and materials; it is not a war of finance. The government does not need a larger share of the national income in the monetary sense. What the government must have is a larger share of the available supply of materials for the war effort. Consequently the public must be eliminated, except for the bare essentials, as a competitor with the government for those materials (and the man power necessary to produce them) which are required to carry out the war effort.

The time is ripe for the government to tell the public what it must do to win this war. To date the approach has been to seek a voluntary limitation of civilian spending power and a moderate reduction in output of non-essential civilian goods. This is helpful. With the war effort gaining in momentum, however, considerably more will have to be done. The people should be told of the urgent need of materials for the war effort. They should be prepared for rationing. There should be no illusions on that score. Such a move is essential if the war effort is not to be impeded and inflation avoided. The public should clearly understand this is a war of man power and materials. The emphasis should be concentrated in that direction and not on finance.

Is B. C. Election a Foretaste?

Is the British Columbia election a foretaste of what may be expected in the larger Dominion field after the war?

Many political observers seem to think so. They point to Great Britain after the first Great War. The Mother Country entered the conflict of 1914 with a strong Liberal government. In a surprise election sprung immediately after the armistice Lloyd George and the Liberals were returned with a huge majority but from then on the party crumbled. Never since have British Liberals been able to command more than handful of supporters in the House of Commons. The Conservatives and Labor have been the dominant groups.

Premier Pattullo's government could have remained in office for another year without an election. It had an ample majority. It faced no particular crisis. Aside from Mr. Pattullo's stand on the Sirois Report Conference there had been no general criticism of the government's record.

When the decision to go to the people at this particular time was announced, however, there was protest from all sides. Undoubtedly this played a big part, perhaps the major part in the election and the C.C.F. party already strong, since the last test of arms in 1937, gained further former Liberal support.

Two conclusions appear clear. In the first place the people of British Columbia have demonstrated definitely that they are not in sympathy with any unnecessary distraction while the country is at war. Secondly, they have shown, also definitely, that no matter how big a majority any party government may have it is by no means certain that it is going to be returned.

Editorials in Brief

After British Columbia the Canadian public will probably be spared the distraction of any further unnecessary provincial elections during wartime.

* * *

Some 20% of the officers in the U. S. army and reserve are being weeded out to be replaced by younger and more efficient personnel. Who says there are no military casualties in wartime?

* * *

Rise in the cost of living is reported the main cause for the downfall of the Iceland government. Freezing of prices, one would have supposed, would have been a simple preventive in that Arctic island.

* * *

War commentators confused by the conflicting war reports from Russian and German sources might pick up a useful tip from Japanese official statements. When Tokio gets truculent it is almost a sure sign that the Nazis are advancing; when Tokio is silent or puts out appeasement feelers then the battle is going the other way.

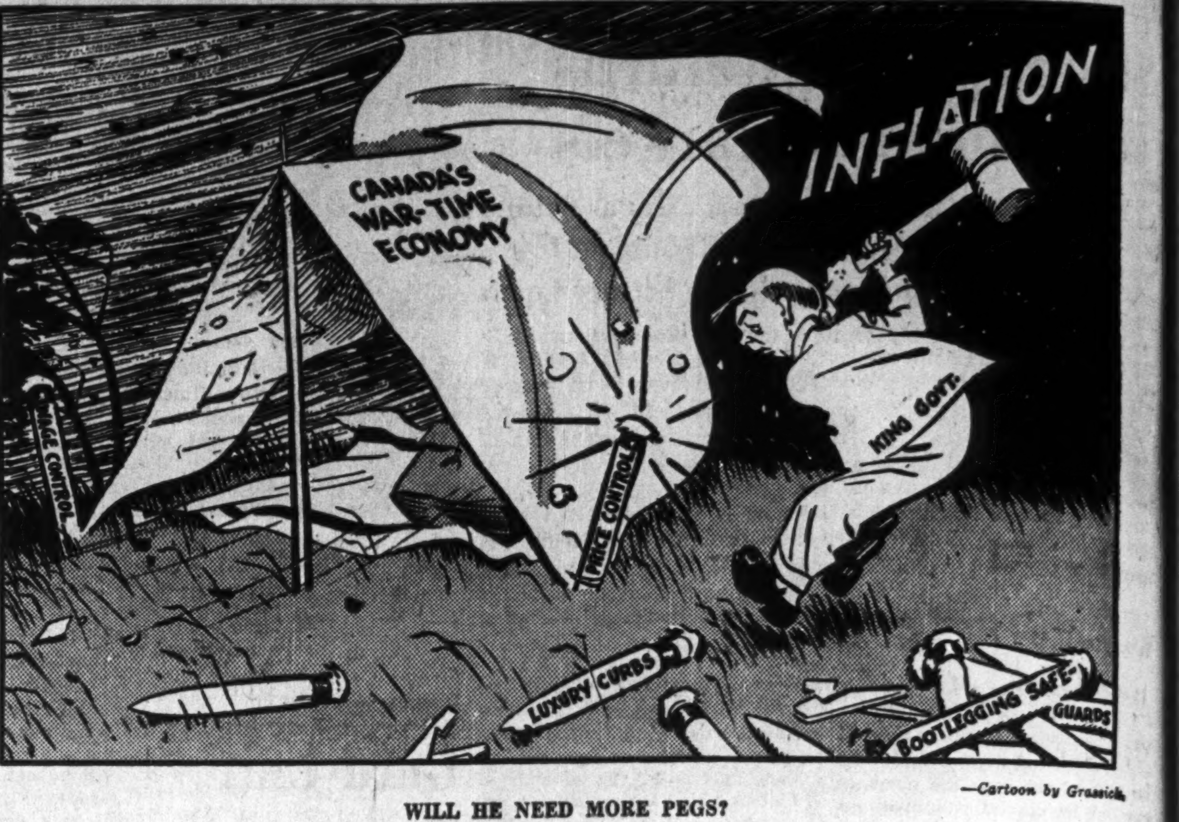
* * *

Only 6.4% of the listeners could identify station, programme, product or sponsor, a seven-day radio survey in the Chicago area revealed. This survey, based on over 38,000 calls, further disclosed that during the popular evening hours 18.8% of the people were not at home and 44.6% were not listening to the radio. In power the spoken word still lags far behind the printed word.

* * *

> "But Americans were confronted by the nightmare fact that, if Moscow falls and Stalin decides that bloody Russia deserves peace, the U. S. A. will find itself alone in the world, with only Britain as ally." Life, picture magazine, this week.

Surely a case of transposition here. Canadians were under the assumption that Britain would be alone with perhaps the U. S. A. as ally.



—Cartoon by Grassick

WILL HE NEED MORE PEGS?

Post-Scripts . . . .

Goodwill Ambassadors

When the Association of Life Agency Officers and the Life Insurance Sales Research Bureau meet in Toronto next week for their 20th joint annual meeting, about 500 delegates and their wives are expected to attend. Because this is the first time the two bodies, representing over 150 life insurance companies in Canada and the United States, have held their joint annual meeting in this country, there has been more than usual interest in the gathering. The desire of the American life insurance interests to make a friendly gesture toward Canada was a big factor in deciding to come here. It was felt, in addition, that the United States dollars the visitors would bring in with them would be a tangible assistance to Canada's war effort.

C. D. DEVLIN
—*Ashley & Crippen.*

General chairman of the arrangements for the convention is C. D. (Charlie) Devlin, assistant general manager of the Confederation Life Association. When he welcomes the visitors from across the line, it will be a meeting of old friends, for Mr. Devlin, for many years, has been a prominent member of both organizations. He has been chairman of the board of the Life Insurance Sales Bureau and has also been chairman of the Association of Life Agency Officers of Canada and the United States.

Those who have worked with Mr. Devlin as chairman of other committees say he has three characteristics that fit him for the job: imperturbable good humor, ability to get co-operation from others and a gift for keeping them on the right track.

Mr. Devlin came to his present position with the Confederation Life through the agency branch.

Born at Mount Pleasant, Ont., his first business experience was gained with the National Transcontinental Railway. But in 1911 he felt he could sell life insurance and joined the Confederation Life at North Bay. For the next few years he worked, from there as his headquarters, all along the line of the T. and N. O. Railway.

In 1917, he became district manager at North Bay. Then through the various steps of inspector, superintendent, etc., he rose to be assistant general manager.

He is an enthusiastic fisherman who knows many good fishing spots and actually catches fish. He is also an excellent amateur photographer. Some years ago he brought back from a trip around the world a number of pictures he had taken himself which were published and attracted wide attention.

* * *

In B. C. Limelight

Unexpected upset of the British Columbia election last week has brought two men into the limelight. C.C.F. leader Harold Winch and Conservative chief R. L. Maitland. No matter what sort of a coalition is planned to govern the west coast province these two men will have to be considered.

HAROLD WINCH

Harold Winch, swarthy, black-haired young orator from South Vancouver was according to his own account, "broke and on relief" seven years ago when first nominated for the British Columbia legislature.

Winch's rise in politics has been of meteoric quality. His father, Ernest Winch, was a keen student of political economy and saw that Harold was given a good primary education and read the "right books," including a few expounding the theory of Socialism. But not till 1932 did father or son have serious ideas of entering politics.

Harold says that a policeman's baton helped make up his own mind. He was helping to investigate an investigation of unemployed in front of the Vancouver city hall in 1932. Police charged the crowd and Winch was struck. The incident angered him so much that he decided to carve a political career.

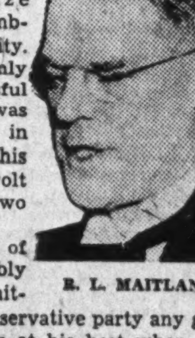
During the next few months Winch "rode the rods" into interior points to attend organization meetings of the unemployed and the C.C.F. He spoke at most of these gatherings and gradually developed a style of oratory which a few years later was to make him one of the most effective speakers in the Legislature.

When the 1933 election was announced both Harold and Winch Sr., were nominated by the C.C.F. and they were elected by a wide margin to become a unique father-and-son combination in the house. When the quixotic Dr. Lyle Telford quarrelled with the C.C.F. organization and stepped down as house leader young Winch succeeded him and he has been the top man of the party in the province ever since.

Inclined to extremes during his first few sessions in the Legislature Winch has in recent years taken a more moderate course without departing from the original programme of the C.C.F. Born in Loughton, England, he was married in 1929, has three children, and for recreation tends his garden.

Tory Hope

Ever since the last election when "Pat" Maitland was one of the few Conservatives to be returned to office and become the choice of the party as its leader his job has been to rally the scattered remnants of the defeated Tory army and organize them into a semblance of unity. That he was only partly successful in this effort was shown early in the campaign this fall when revolt broke out on two fronts.



R. L. MAITLAND

These signs of cleavage probably didn't do Maitland or the Conservative party any good, but Maitland is at his best when in a fight and he seemed to relish the storm.

An Ontario-born lawyer—his birthplace was Ingersoll—Maitland inherited political blood from his father, who was prominent in the Conservative party in Vancouver in the early days, when Pat was a boy. But Pat lost no time in getting into the arena, too, and he made his first political speech at the age of 19. Today, at 53, he has probably been mixing in politics in and out of the legislature as long as anyone in the province.

When Maitland was 21 he toured the interior of British Columbia with his father. He was a red-haired, hard-hitting debater then and his speeches gave promise of the finished orator who was eventually to take a prominent part in the affairs of the province, but when he offered himself as a candidate in 1924 he was defeated. Four years later he was again a candidate and this time he was returned with the Conservatives under Tolmie and was rewarded with appointment to the cabinet as a minister without portfolio.

When Tolmie formed a union government and went down to humiliating defeat with it Maitland "retired" from public life, but four years later he was in the battle again and was elected as a member for Vancouver-Point Grey. When Dr. Frank Patterson, who had replaced Tolmie as leader, died, Maitland was chosen to head the party, and he has held that post during the past three years.

Maitland, a K.C., has long been recognized as one of Vancouver's most eminent counsel. He was called to the bar in B. C. in 1913 and was city prosecutor from 1915 to 1919. He was appointed King's Counsellor in 1928 and gained prominence as a criminal lawyer.

In 1941 he married Ruth Hildred Mills, daughter of the late John B. Mills, K.C. They have two sons, one a sub-lieutenant in the R.C.N.V.R. and the other a pilot in the R.C.A.F., and two daughters at home.

Always interested in history of the early days, he was secretary of the Vancouver Pioneers Association for a dozen years He is one of Vancouver's best known yachtsmen and fishermen.

* * *

From School to Cabinet

Thousands of school teachers after receiving some distasteful official order have muttered, "If I was only the Minister of Education." Only a few, however, have ever found such a wish fulfilled. One of these who has had the honor and responsibility suddenly thrust upon him is Hon. Hubert E. Staines.

Not long ago Mr. Staines was the relatively carefree and happy history instructor at the Prince Albert Collegiate Institute. Today he heads the Department of Education for Saskatchewan.

Like so many other westerners of his generation—he was born in 1893—Mr. Staines hails from the Old Country. He came out to Canada just a year before the outbreak of the first Great War and enrolled at Brandon College. His studies there were interrupted by overseas service with the 11th Field Ambulance of the Canadian Expeditionary Force. The war over he returned to Brandon and graduated in 1923. From there he went to the staff of the Moose Jaw College, later became principal of the high school at Rosetown, Sask., and during the great depression moved to Prince Albert.

Although for years interested in politics even his wife had no idea of the seriousness of this interest until one evening he announced he would be late getting home as he had to speak at a political meeting in another town. "How can you speak at such a meeting without any preparation," enquired Mrs. Staines. The reply was prompt, "I have been preparing for this meeting for 20 years."

His close friends describe Staines as an indefatigable worker. His day, it is said, never ended at 4 p.m. when school gets out but well past midnight. All his life he has taken a deep interest in various youth movements and has never lost touch with his annual crop of high school graduates. Mr. Staines believes that the Canadian educational system is still in the pioneer stage and his admirers at least, expect that he will do something to advance it from this condition in his adopted province.

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Other People's Views . . . .

The Canadian Editorial of the Week

Agriculture and Price Ceiling

The Farmer's Advocate

The Prime Minister has announced that an overall ceiling will hold down prices in Canada, including wages and rents and the cost of living. Full employment has been attained, the demand for consumer goods is competing with the war effort. Prices are rising and to prevent an upward spiral, resulting in inflation, something has to be done and done quickly.

It is a great experiment. In normal times it would be an economic absurdity. In an all-out war crisis it is a national necessity.

Price fixing has never worked too well, even under a dictatorship, and when adapted to our democratic way of life the new order demands the utmost co-operation of a free people. No policy of price fixing has been known to work equitably and beneficially to the mass of a nation's population, because no government department can see far enough or work fast enough to cope with the new forces released and the altered circumstances created by a government edict. No price fixing policy is likely to be universally satisfactory in its application, but it can at least be right in principle.

Under the new order we would expect some of the wrongs under which agriculture has labored to be righted and the Prime Minister hinted at inequalities in his radio address of October 18. However, his remarks were not too reassuring when he said: "Agricultural prices, with a few conspicuous exceptions, especially wheat, are higher today than they have been at any time during the past ten years."

In this connection administering boards should bear in mind that during the last ten years prices for agricultural products were at a ruinously low level while wages and prices of goods were frozen. Agricultural prices have come up out of the trough but in the base period, or the four weeks from September 15 to October 11, they had not yet reached a parity level.

The administering boards will have a tremendous task imposed upon them and will need a full measure of co-operation; but if they are working on the principle of equity and equality for all classes they will need to give careful study to the price structure in order that people working on the land may receive a reward for labor comparable to that measured out to other industrial groups and classes.

* * *

As Others See Us

Time for Rationing

New Glasgow News

The Financial Post reports that Ottawa is considering more seriously than ever the establishment of gasoline rationing. "About time" will be the reaction of at least 99% of the citizenry. Admittedly the Air Force needs must come first; the tankers which carry the crude must go to Britain before Canadian ports. No one questions that.

But what gasoline is available to Canada should be distributed according to fair needs. The system of rationing service stations only encourages the gasoline "hog." It makes no provision for the legitimate user; nor for emergencies.

Rationing is the efficient and the fair way and the sooner it is established the better for all of us.

* * *

Time to Quit Muddling

Toronto Telegram

Since its inauguration by the Oil Controller last July the whole gasoline conservation programme has been marked by confusion and contradiction. As The Financial Post remarks, one day the motorist is praised for his voluntary curtailment and the next he is told that he has not done enough. This is no way to cut down on the use of gasoline. It simply encourages the motorist to go merrily on his way leaving gas saving to "the other fellow."

As yet there is no evidence that the Oil Controller has a definite plan for achieving the 50% reduction he asked for last July. If Mr. Cottrelle is minus a plan he ought to devise one. Having done this he ought to tell the public what he proposes to do and do it.

Backing and filling and nibbling at the problem has led many motorists to the belief that it is not a serious one. Mr. Cottrelle must assume his share of responsibility for not making it more clear. He cannot delay doing this any longer.

* * *

Whose Surplus?

Acton Free Press

The Financial Post makes the following comment that will be endorsed by most folks and especially by those who in good faith loaned that province funds and now receive only half the interest payments due.

"Once again Alberta reports an overall 'surplus,' this time of $2.3 millions. In reality, the province has a deficit of about $1.5 million if charges of its contracted debt obligations are included. The 'surplus' is a straight steal from those whose money has helped develop the province."

* * *

What the Papers Are Saying

Publicity in U. S.

Winnipeg Free Press

The news that it has been decided to postpone "for the time being" the establishment of a Canadian publicity office in New York will be disheartening to everyone who knows how important it is for Canada that this should be done without delay.

* * *

Gasoline Rationing

Winnipeg Tribune

For the past two months the Oil Controller has been "rationing" filling stations. The public has been told that this method of control is effective, since it controls the motorist's gasoline at the source of supply.

The Oil Controller has been vested with adequate powers. If he is "nowhere near" his own objective, isn't it about time for him to stop passing the buck?

* * *

Spending Curb

Calgary Herald

There need be no feeling of surprise over the action of the federal government in clamping down on installment buying and in further restriction of civilian buying. In fact, that action has been inevitable for several months. The country is being geared for an all-out war effort and an orgy of spending on non-essentials cannot possibly play any part in that effort.

* * *

B. C. Election

Ottawa Citizen

It now looks as though the two old parties may be driven into a coalition and the C.C.F. will form the opposition. But whatever happens, the government at Ottawa cannot take much comfort from the result. And the Conservatives can take still less. There's something in the wind.

* * *

Stop Me If . . . .

The man from the country came to the military camp to see his son. As his name was McDonald and the camp was in the Maritimes it was a bit difficult to locate the particular man. The officer on duty volunteered:

"There's a McDonald in the officers' mess. Perhaps that's your son."

"Yes, sir, that would be him," agreed the visitor.

"What makes you so sure?" asked the officer.

"Well," said the other, "he was always in some mess or other when he was at home, so it must be him."

Sayings of the Week

"Hitler holds all Europe. The fact is there—not to depress us but as a challenge."—*P. J. Philip in Toronto Empire Club address.*

* * *

"The days are past when armies can be hurriedly raised, equipped and placed in the field, for modern war demands the ever increasing use of complicated material." — *General Gort report on Battle of Flanders.*

* * *

"We will not let Hitler prescribe the waters of the world on which our ships may travel. The American flag is not going to be driven from the seas either by his submarines, his airplanes, or his threats."—*President Roosevelt.*

* * *

"I cannot imagine anything which would suit Hitler's move better than if we adopted the Chinese method of committing suicide on your enemy's doorstep."—*Lord Moyne in answering advocates of British invasion of Europe now.*

* * *

"May I offer a reminder to those in Canada who feel it their duty to criticise Canada's conduct of the war, that they are addressing not only Canadians, but indirectly an audience of 130 million people across the border, including elements who may be very actively interested in distorting such criticism into disparagement." — *Hon Leighton McCarthy, Canadian Minister to Washington.*

* * *

"We (French Canadians), are even more interested than our English-speaking compatriots in the victory of our arms. The British people emigrate easily. You are at home everywhere, so long as you are under the Union Jack. But we have no place to go which holds the least attraction for us and exile means our ruin and death." — *Louis Morin, K.C., Batonnier General of the Quebec Bar, in addressing Toronto Rotary Club.*

Salvaging the Sales Force

New Horizons Open for "Knights of the Grip"

"Orders, orders, everywhere, and not a thing to sell."

At first glance this might appear to be the dismal lot of Canada's 200,000 or so salesmen and commercial travellers. Caught between diminishing supplies on one hand, and greatly increased purchasing power, —i.e., demand—on the other, the persuasive gentlemen with the sample cases would, in theory, appear to be without a job.

That this is not proving to be the case is one of the dramatic aspects of the revolutionary change from peace to wartime economy.

Canada's army of salesmen, it turns out, are being adjusted, or are adjusting themselves, in various ways to the changing situation brought about by war.

The phrase "goods and services" crops up frequently in economic discussion. What many of Canada's sales organizations are doing is replacing the "goods" with the "service."

Rather than break down carefully built and well-trained sales machines stress is being placed on service, in order to retain both the customer's goodwill and the sales machine, pending return to normal times.

This stress on service takes a variety of forms. An ace salesman in a durable and heavy line, reports he and his colleagues are kept busy chasing up supplies and orders, in his own plant, for the most valued customers. His job used to be out on the road drumming up orders. Now it is in the home office, pushing deliveries. This is one type of service, utilizing the persuasive powers of salesmen.

Protect Good Name

In another sales organization attached to a wholesale firm of heavy consumer goods, the salesmen are out assisting the dealers with merchandising ideas. While in such close contact with the dealer the salesmen waste no time explaining priorities, non- or delayed-delivery, thus protecting the good name of their firm. Here is another type of service.

Again because of shortages in one particular line, buying habits of both retailer and public have to be changed. They have to be told why they should accept a substitute for what they have been buying. They must be tactfully steered from linen to cotton and rayon; from bacon at breakfast to liver; from aluminum to glassware, from zippers to bone buttons. Here is service of another kind.

Even the salesmen with the emptiest sample case has a job of selling to do. He must keep his customer sold on the firm he represents, because if anything is sure these days, it is that these days will not last forever. This is institutional selling, and this is what W. B. Woods, president of Gordon Mackay & Co., large textile distributors, said about it in a recent letter to a customer.

"For this is certainly the time to undertake 'institutional selling,' store promotion designed to sell the idea of your store as a place to shop anytime, rather than confining sales and advertising effort to the featuring of specific items available at the moment. This is the time for taking inventory of store policies before starting the year-end chore of merchandise inventory."

Selling Goodwill

Mr. Woods' organization has gone far along the road of stressing sales service in time of rationing and supply. Its salesmen are, more than ever before, helping the goodwill of the retailer within his community; helping him sell goodwill when he cannot sell specific items; assisting him with the presentation of what merchandise he has, store layout, and merchandise inventory.

In this adjustment of the salesman's function, main objective is to make sure that, just because, at the moment, there may be more customers than there are goods, the customer does not get the idea he is not wanted.

Such policies, Canada's salesmen feel, will pay tangible dividends when times again become normal. And such policies require the very qualities which a well-organized sales force has to offer.

How does a salesman support himself in such a scheme, as there are no cash commissions on selling goodwill this week or maybe next?

Straight Salary

This has proved to be a problem in some cases, but has been largely overcome by putting the sales force on straight salary, or on salary sufficient to take up the slack caused by reduced lines. Most firms are justifying this step in terms of post-war business. Moreover, some manufacturers are putting their sales force to work on market revision. They are taking advantage of the present situation to check up on market data and buying habits in their various fields. The collection of such information is of tangible value to the firm and justifies a salary basis. Again, there is work to be done obtaining war business largely in the form of subcontracts.

While some firms are reducing their sales force, the sum total of the present situation appears to read that Canada's salesmen are not in immediate danger of joining the carrier pigeon or the Great Auk among extinct species, but, on the contrary, are having their horizons broadened and their jobs expanded by a sense of goodwill.

WEEK IN BUSINESS

Current business continues with an even regularity to show increases over previous year. D.B.S. index of business activity for the week ended Oct. 18 is almost 10% higher than a year ago, and shows a comfortable gain over last week of nearly two per cent. Carloadings were a big factor in the gain, together with bank clearings, while prices of common stocks and number of shares traded showed declines.

Railway carloadings from Jan. 1 to Oct. 18 showed a rise of 13.6% in an almost continual rise. In latest week, an increase of over 13% is shown by the index over corresponding week year ago.

Railway gross traffic earnings were materially higher for both railroads in week ending Oct. 18.

Automobiles—Factory output of passenger cars shows a major drop as Canadian plants concentrate on war production. Domestic sales are down 10.7% in the year to date. Factory output of trucks and buses up 80.8 per cent over year.

Dividend payments again showed a slight decline on the month and a drop of over 4% from year ago. October index at 118.2 compares with 118.4 in September and 122.9 a year ago.

Iron and Steel production up sizeably for both pig iron and steel ingots and casting production. On year to date production shows rise of 12.5% for pig iron and 19.4% for steel ingots and castings.

Trend of business shown by The Financial Post Business Index, and following key factors, new items for the week being marked thus: ■

TREND OF BUSINESS—	Oct. 18	Oct. 11	Oct. 4	Sept. 27	Oct. 19/40
Weekly index of business, D.B.S.	112.9	111.0	111.7	113.2	102.5
Commodity prices, index no.	93.6	93.7	93.3	92.8	83.3
	Oct.	Sept.	Aug.	July	Year Ago
The Financial Post business index	....	°164.7	162.5	158.9	147.4
National Income, D.B.S.●	....	....	442.0	448.8	404.7
Retail sales index no.	....	....	146.4	134.7	119.8
Dept. store sales index no.	....	....	145.8	132.5	116.6
Wholesale sales index no.	....	....	156.3	146.6	123.4
Country store (% change pr. yr.)	....	....	+11.3	+13.2	+9.8
■Divd. payment index♠	118.2	118.4	118.6	118.4	122.9
COST OF LIVING—					
D.B.S. index	114.7	113.7	111.9	110.5	106.4
EMPLOYMENT INDEX Nos., D.B.S.	Aug. 1	July 1	June 1	May 1	Year Ago
All industries	160.6	157.4	152.9	145.5	127.9
Manufacturing	176.9	172.5	168.0	162.3	134.4
Payroll index (a)	172	170	....	....	140
			Jan. 1 to date		%
RAILWAYS—	1941	1940	1941	1940	Change
■Carloadings (week Oct. 18)	65,406	58,931	2,537,579	2,232,311	+13.6
■C.N.R. gross (week Oct. 21) $	6,610,257	5,201,981	239,307,589	193,477,570	+23.6
■C.P.R. gross (week Oct. 21) $	5,116,000	3,913,000	172,573,000	132,756,000	+29.9
C.N.R. net revenue (Sept.) $	6,393,072	3,927,467	48,589,326	27,968,316	+73.9
C.P.R. net revenue (Aug.) $	3,146,005	2,263,597	26,261,119	17,304,434	+51.7
IRON AND STEEL—(September)—					
■Pig iron production (tons)	111,757	105,020	945,108	839,456	+12.5
■Steel ingots and castings prod. .... (tons)	200,559	164,515	1,749,056	1,464,548	+19.4
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* .. (Aug.)	4,333	2,755	68,726	76,999	—10.7
■Factory output .. (Sept.)	2,548	3,410	74,756	80,496	—7.1
Trucks and Buses:					
Domestic sales* .. (Aug.)	2,889	2,244	26,660	21,417	+24.5
■Factory output .. (Sept.)	11,948	12,065	134,457	74,386	+80.8
Financing:					
■Used .... (Sept.) $	3,762,460	3,258,877	42,220,522	32,865,514	+28.5
■New .... (Sept.) $	2,098,983	2,015,926	30,714,190	25,902,900	+18.6
CONSTRUCTION—					
Contracts awarded . (Sept.) $	39,363,800	52,260,000	322,909,100	247,749,000	+30.3
Cement prod., bbls. (July)	944,000	983,000	4,296,000	3,711,000	+15.7
AGRICULTURE—					
Flour prod., bbls. .. (Aug.)	1,852,139	1,291,451	13,985,964	10,081,998	+38.1
Flour exp., bbls. .. (Sept.)	661,014	550,754	9,481,375	5,192,380	+82.6
Wheat exp., bush. .. (Sept.)	11,341,041	9,499,854	144,429,658	100,470,813	+43.7
Cattle sales▲ .... (Sept.)	149,742	115,444	845,444	788,455	+7.2
Hog sales▲ .... (Sept.)	522,104	413,207	4,319,717	3,436,840	+25.6
SEA FISHERIES—‡					
Catch cwts.▲ .... (Aug.)	1,794,800	1,336,300	7,070,600	7,492,000	—5.6
Landed value ...... (Aug.) $	4,991,500	2,975,000	17,495,830	12,730,200	+37.4
NEWSPRINT—					
Production, tons .. (Sept.)	298,276	282,322	2,505,947	2,573,605	—2.7
Exports .... (Aug.) $	13,180,000	14,341,000	99,290,357	95,641,845	+3.8
MINING AND OILS—					
Coal prod., tons ... (Aug.)	1,356,917	1,398,145	11,002,960	10,916,798	+.08
Coal import, tons . (Aug.)	2,702,485	2,298,531	11,370,179	11,576,452	—1.8
Gold rec., fine oz. . (Aug.)	430,878	444,033	3,423,941	3,290,803	+4.0
Crude oil, imp. gals.† (Aug.)	....	....	1,007,200	904,216	+11.4
ELECTRIC POWER OUTPUT—(August)—					
Total monthly, 1,000 kw.h.'s	2,640,084	2,500,179	21,033,614	20,083,914	+4.7
FOREIGN TRADE—♦					
Imports .... (Aug.)	$137,913,470	96,835,858	910,905,229	682,432,876	+33.4
Exports .... (Aug.)	$150,494,256	111,359,567	1,041,710,418	766,533,766	+35.9
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (Sept.)	291,129	276,912	1,726,815	1,788,363	—3.4
Shoes, prod., pr .. (Sept.)	2,965,637	2,382,680	20,806,300	16,969,649	+22.7
Cotton consump., lb. (Sept.)	17,125,874	14,286,921	147,249,878	141,498,970	+4.0
Raw rubber imp. lb. (Aug.)	....	....	88,962,399	62,022,360	+43.4
Cigarette cons., No.† (Sept.)	865,957	597,291	6,263,493	5,565,072	+12.5
Sugar manufactured .. lb.§	99,232,363	71,339,246	666,493,637	620,345,592	+7.4
FINANCE—					
Bank debits† ...... (Aug.) $	3,149,791	2,457,706	25,201,597	22,081,944	+14.1
Bond sales† .... (Sept.) $	62,448	401,159	1,530,674	1,742,986	—12.2
Life insurance sales (Sept.) $	33,975,000	26,156,000	295,019,000	267,381,000	+10.3

*D.B.S. All Canada figure covering over 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ■
†000's omitted. §For four week to Sept. 6. ♦Gold excluded.
●Millions of dollars. °Preliminary. ♠Supplied by Nesbitt, Thomson & Co.
(a)Compiled by Canadian Bank of Commerce.

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Use of Cotton At New High

Textile Mill Activity in September Recovers From August Drop

From Our Own Correspondent

MONTREAL.—Measured by the number of bales of cotton opened by Canadian mills, activities of the textile industry in the Dominion rose to a record height during September. There were 46,885 of 500 lb. gross weight bales opened during the month, compared with 39,808 in August and 39,092 in Sept., 1940.

Record activity in the past month followed a sharp decline in August.

The Cotton Institute of Canada index of activity rose to 206.1 in September, compared with 150.4 in the same month the previous year.

In the nine months ended Sept. 30, there were 401,547 bales opened by Canadian mills, compared with 340,416 in the corresponding period of the previous year, an increase of nearly 6%.

Cotton Consumption
(500-lb. gross weight bales)

	1941	1940
December	.....	43,554
November	.....	43,756
October	.....	44,787
September	46,885	39,092
August	39,808	40,576
July	46,852	42,958
June	43,721	41,207
May	45,183	45,020
April	46,404	43,784
March	45,515	44,464
February	44,911	43,455
January	42,268	38,952
9 months	401,547	340,416
12 months	......	511,605

C.N.R. Ready For Big Traffic

Expects Record Movement Through Port of Halifax This Winter

From Our Own Correspondent

MONTREAL. — Greatly increased volume of traffic is expected to flow through Halifax this winter as compared with the previous season, according to W. U. Appleton, vice-president and general manager of the Atlantic region of Canadian National Railways.

Big preparations have been made during the past summer in anticipation of the traffic increase. The roadbed has been filled up; further extension to yards at Halifax, Truro and Moncton provide an additional capacity of 2,000 cars.

Add to Facilities

Undertakings completed during the year include a new locomotive terminal at Fairview, N.S., which Mr. Appleton describes as the most modern on the continent, and a new locomotive-erecting shop at Moncton.

Snow-fighting equipment has been undergoing annual overhaul in the shops during the summer and now is ready for service. Mr. Appleton said that with this equipment it was anticipated the railway could combat any snow conditions that might arise.

Glycerine Use Strictly Limited

Civilian Consumption Cut 30% — None For Anti-freeze

Glycerine has been added to the list of commodities under restriction, according to an order issued by J. D. Lorimer, chemicals controller. After Oct. 1 this year, no person is permitted to use or deal in more refined glycerine in any calendar year than 70% of the amount of refined glycerine consumed or handled by him during the calendar year 1940. An exception is made for glycerine used in making explosives.

Glycerine cannot be exported from Canada except under license, nor imported except under license. Use of glycerine as anti-freeze is prohibited. All existing contracts for its sale are cancelled as of Sept. 30, except that delivered or shipped on or before that date.

Newfoundland Fish Exports Improved

Exports of salt codfish from Newfoundland in September showed a substantial gain over the same month last year. Bank and shore and Labrador fish exports during the month totalled 87,462 qtls. (112 lb.), compared with 61,199 qtls, in the same month last year. Saltbulk shipments, however, declined to 4,348 cwts., from 25,870 cwts. in Sept., 1940.

In the first quarter of the year, shipments of salt codfish from the Island totalled 175,841 qtls., compared with 211,297 qtls. in the corresponding period of the previous year. Saltbulk exports totalled 25,028 cwts., against 29,426 cwts. in the first three months of the previous year.

Poor Crops Sharply Cut Apple Shipments to U. K.

From Our Own Correspondent

OTTAWA.—Poor crops have materially reduced the amount of fresh apples which Canada expects to ship to England under the new contract now being arranged.

Originally it was hoped to ship 700,000 barrels.

It now appears unlikely shipments will exceed 460,000 barrels.

Of this total, 1,200,000 boxes (400,000 barrels) will go from British Columbia; 10,000 barrels from Ontario and 50,000 barrels from Nova Scotia.

Shipments of canned tomatoes to Great Britain are also short of expectation.

It had been hoped to ship 20,000 long tons this year, but the entire contract will probably not exceed 6,700 long tons or about 300,000 cases.

In the first year of war Canada shipped 19,000 long tons and in 1940 Britain indicated her willingness to take up to 30,000 tons. But, owing to unfortunate weather conditions in Ontario, production was down and no tomatoes were shipped.

Two dinner pails now instead of only one

Many wives "wear the pants" literally to-day in Toronto—slacks and overalls, of course—for war industry has called out women in large numbers, and two pay envelopes are the order of the day in many cases of married couples. These folks are making hay while the sun shines, and also, through their augmented incomes, making purchases of things that they have long wanted for their homes. Retail sales are still on the increase in Toronto — Canada's richest consumer market—and advertising has a present value surpassing that of any previous period. And, it is an axiom that

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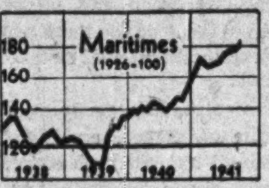
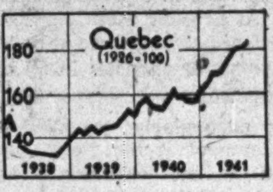
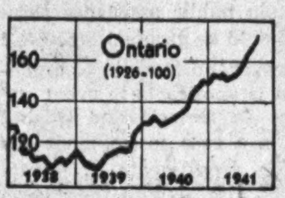
MONTREAL: E. R. CHOWN, Dominion Square Building

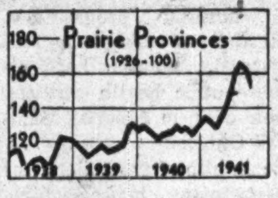
Business Gains Continue In Most Economic Areas

With the exception of the prairie provinces, which showed a slight decline, all economic areas in Canada showed increased business activity in September over August, The Financial Post Regional Indices reveal. At the same time, on a comparison with September a year ago, the Ontario economic area showed the greatest gain at 3.1%. By the yearly comparison, prairie province economic area suffered from a drop in wheat receipts. This drop is attributed to late harvesting caused by heavy rains.









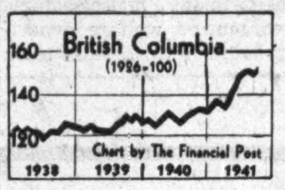


Chart by The Financial Post

Trend of Business in Economic Areas

	Sept., 1941	% Change Sept. 1940	Aug., 1941
Maritimes:			
Constr. contr. ..... $	3,859,000	+122.7	6,411,000
Bldg. permits ..... $	422,000	+2.7	2,708,000
Life ins. sales .. $000	2,344	+4.8	2,477
Bank debits $000,000	78.4	+25.0	78.0
Elec. pwr. . kw.h.000	2,788	+23.9	2,620
Employment*	164.2	+31.9	163.9
Index	183.9	+2.6	179.3
Quebec:			
Constr. contr. ..... $	11,197,000	+99.2	8,882,000
Bldg. permits ..... $	2,816,000	+0.1	2,491,000
Life ins. sales .. $000	8,927	+19.6	7,790
Bank debits $000,000	945	+32.0	928
Elec. pwr. . kw.h.000	34,805	+44.9	31,262
Employment*	167.6	+28.3	161.8
Newsprint prod., tons	298,276	+1.8	282,322
Index	184.5	+1.6	181.6
Ontario:			
Constr. contr. ..... $	13,346,000	—46.1	14,136,000
Bldg. permits ..... $	6,543,000	+30.7	4,983,000
Life ins. sales . $000	14,829	+34.6	12,518
Bank debits $000,000	1,536	+40.5	1,383
Elec. pwr. . kw.h.000	30,400	+18.2	27,869
Employment*	168.5	+25.4	165.5
Livestk. slaughter.* .	288.0	+39.7	257.9
Steel production, tons	200,559	+21.9	202,746
Auto production, no.	14,496	—6.3	17,192
Index	173.6	+3.1	168.3
Prairie Provinces:			
Constr. contr. ..... $	9,435,000	—50.4	4,071,000
Bldg. permits ..... $	1,358,000	+4.2	1,629,000
Life ins sales ... $000	5,058	+60.3	4,282
Bank debits $000,000	540	+1.7	547
Elec. pwr. . kw.h.000	5,531	+9.1	5,249
Employment*	135.6	+18.0	132.5
Wheat receipts .. bu.	29,927,000	—192.0	20,133,000
Wheat prices**	72/4	+1.2	73/2
Index	156.1	—3.2	161.2
British Columbia:			
Constr. contr. ..... $	1,528,000	+40.6	2,623,000
Bldg. permits ..... $	1,358,000	+74.8	1,038,000
Life ins. sales .. $000	2,388	+21.2	2,068
Bank debits $000,000	200.9	+19.4	213.4
Elec. pwr. . kw.h.000	6,887	+17.9	6,813
Employment*	146.6	+23.2	139.2
Index	152.0	+1.1	150.4

*1926=100 Employment indices apply to preceding month. **Cents and eighths of a cent per bushel.

Wool Supply Situation Eases

Canadian Needs Can Be Met and Exports Being Permitted

Both Canadian military and civilian requirements for crossbred wool will be supplied during the season of 1941 from Canadian and other Empire sources, according to D. C Dick, Wool Administrator under the Wartime Prices and Trade Board.

The outbreak of war found crossbred wool scarce and steps had to be taken in Canada and the Empire to conserve them for military and urgent civilian needs. Now the supply situation has so far improved that a freer movement of crossbred wool into preferred export and civilian markets is anticipated.

Canadian policy for some time has been to give favorable consideration to applications for export of fine and non-military wool. Now the Wool Administrator states he is prepared to consider application for permit to export any Canadian fleece wool in excess of anticipated Canadian needs.

Bell Telephone Traffic at Peak

From Our Own Correspondent

MONTREAL. — The Bell Telephone Co. of Canada is now handling each day well over half a million calls more than before the outbreak of war.

From the end of 1938 to the close of 1940 average daily connections, local and long distance, increased by 627,000 and 10,000 respectively. During the same period, the total wire mileage, throughout the company's territory in Quebec and Ontario, was increased by 226,132.

During these two years nine new central offices were established and hundreds of switchboards, dial equipment units, private branch exchanges were extended.

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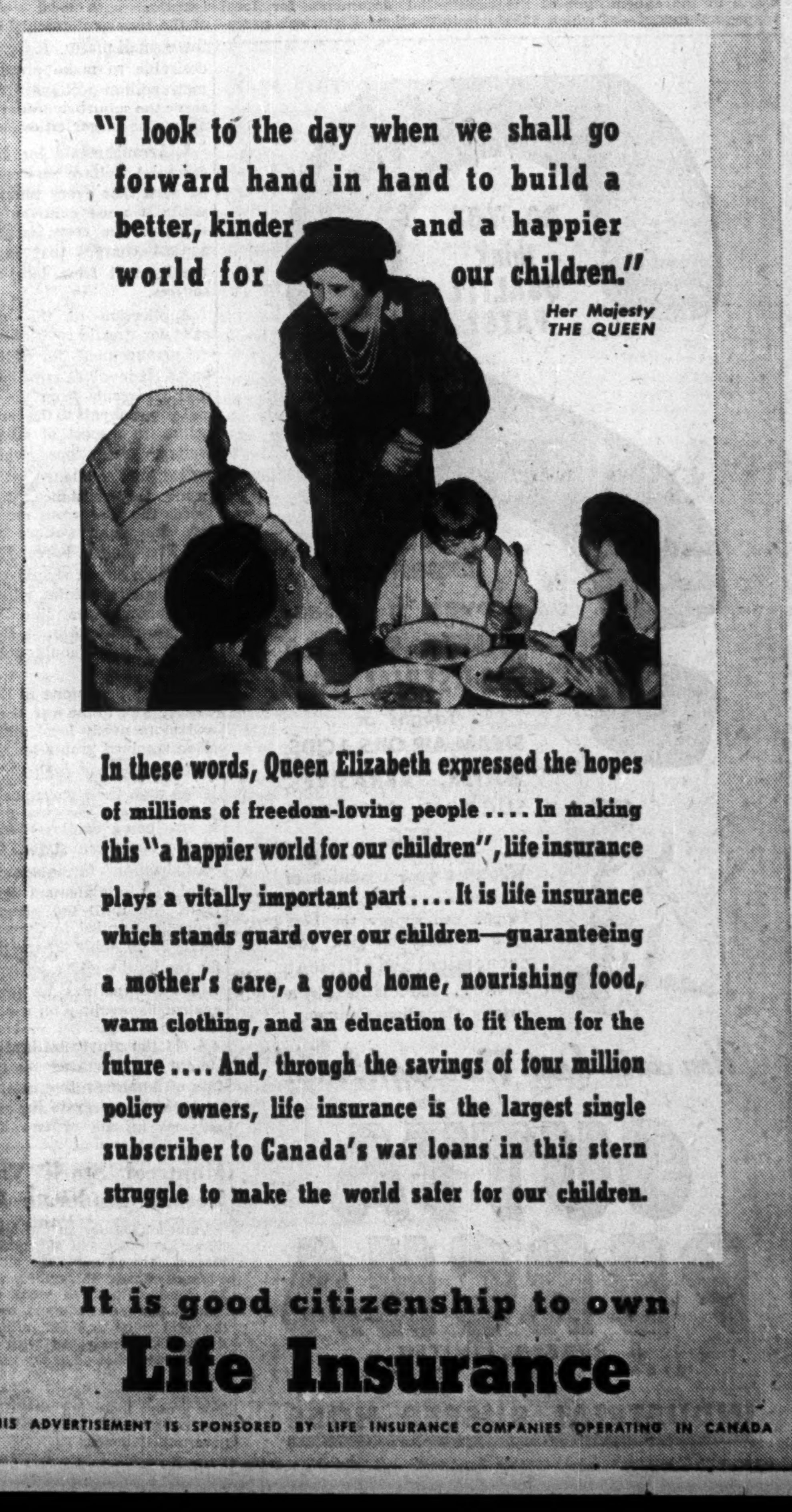

"I look to the day when we shall go forward hand in hand to build a better, kinder and a happier world for our children."
Her Majesty THE QUEEN

In these words, Queen Elizabeth expressed the hopes of millions of freedom-loving people .... In making this "a happier world for our children", life insurance plays a vitally important part .... It is life insurance which stands guard over our children—guaranteeing a mother's care, a good home, nourishing food, warm clothing, and an education to fit them for the future .... And, through the savings of four million policy owners, life insurance is the largest single subscriber to Canada's war loans in this stern struggle to make the world safer for our children.

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Reconditioning the Social Services

Says Needn't Spend More Money – Just Spend It Sensibly

Herewith The Financial Post presents the third of three articles on reorganization of the social services in Canada.

The Post publishes these articles as newsworthy and as coming from an authoritative source, but publication, of course, does not necessarily imply agreement with their findings. The author urges that NOW is the time—when employment is very high and war-bred prosperity reduces social service burdens to the minimum—for reconditioning the Dominion's social service machinery to meet the inevitable postwar readjustment.

The author of this series is Harry M. Cassidy, head of the department of Social Welfare, University of California, formerly Director of Social Welfare for British Columbia and one-time professor of Social Science, University of Toronto.

By HARRY M. CASSIDY
University of California

Weakness of organization of the Canadian public welfare services, particularly in the provincial-municipal sphere explain in large measure the low standards of administrative performance which, with honorable exceptions in some provinces and in some cities, are common throughout the country and which have been pointed out repeatedly by the Rowell-Sirois Commission and other investigating bodies.

Outstanding defects include:

poor legislation in many provinces;

great variations in policy and procedure from province to province and within the provinces;

inadequate development of constructive programmes to prevent dependency, defectiveness, and delinquency;

limited use of the best modern techniques of practice, such as social case work, psychiatric consultation, probation and parole, boarding-out of mental patients, and work relief for employables.

These serious deficiencies make not only for a low grade of service to welfare clients, but also for waste in the expenditure of the taxpayers' money—of which $250 millions annually was spent in the years just before the war.

Thorough-going reorganization is much the most serious problem in the public welfare field. It should take precedence over all other needs for improvement, including those for new services or for expanding older ones, for it is basic to the realization of these objectives.

Extension of the welfare services cannot be undertaken successfully unless there is a well-organized framework of present services into which the new and expanded programmes can be fitted. The county does not need to spend more upon welfare so much as it needs to administer well what it is now spending.

Surveys and Plans

The first step to be taken, in every province, should be to appoint official commissions to survey and prepare reorganization plans. The results may be expected to vary considerably from province to province on account of differences in each situation. No standard plan suitable to every province can be constructed. But experience in Canada, in Great Britain, and in the United States shows pretty clearly certain broad lines of policy that should be followed. These will be outlined here in the form of five principles.

1. Operating functions should be redistributed between the provincial and local governments in accordance with their respective administrative and financial capacities.

This proposal brings up at once the question as to why the municipalities should play any part whatsoever in the administration of welfare services. Why should there not be complete abolition of the old system of local administration, with provincial operation of all services not taken over by the Dominion?

Provincial administration would offer important advantages, including uniformity of policy and procedure in all parts of a province, the organization of local district offices without reference to municipal boundaries that are often irrelevent for welfare administration, abolition of complicated and difficult provincial-local supervisory and financial relationships, and abolition of the present awkward systems of local residence rules.

On the other hand there are substantial arguments for local administration. Historical precedent and the existing pattern of organization favors it. Local administration is in some respects closer to the people and has certain democratic values. It permits flexibility, with decisions being made locally in the light of local conditions.

These rival arguments will deserve different weight in different provinces. The case for complete provincial administration is strong in Prince Edward Island, with its small population and limited area.

It is also strong in Saskatchewan so long as there are no prospects of financial stability for the bulk of its municipalities.

But in most of the provinces the writer believes that the argument for local operation of at least the basic public assistance services is the better, provided that this is accompanied by provincial standards, financial assistance, and supervision. Through this joint provincial-local approach much may be done to gain the advantages of both systems.

If this approach is followed municipal units should continue to administer unemployment relief and poor relief, apart from certain specialized aspects of these programmes. They may also be given the administration of old age pensions and mother's allowances, now generally in the hands of the provinces, so that integration is achieved, on the operating level, of all the closely related public assistance services. On the other hand, there is a good case for transferring to the provinces such specialized services as medical care, probation and parole, detention homes and jails, which only a few local authorities are large enough to operate efficiently.

2. The provinces should delegate administrative responsibilities only to local units that are suitable, in population, in area, and in other characteristics, for the efficient performance of operating functions.

This means that only those municipalities with a population of more than 5,000 or perhaps 10,000 should be authorized as welfare units. Others are too small to permit efficient administration.

The smaller communities might be permitted to join together voluntarily to form welfare units with a minimum population of about 5,000 or more. Alternatively there should be provincial administration, with local assumption of the regular municipal costs, in these small places. It may also be desirable to make provision for metropolitan welfare districts to serve the suburban areas clustered about the larger cities.

3. Arrangements for financing the local welfare services should be such that every municipality, while it must contribute a fair share of the costs, is protected against charges that cannot be readily met from local tax resources.

Application of this principle calls for drastic revision of present arrangements for welfare finances. It involves some system of over-all grants from the provincial governments to the local authorities, in respect of all of their welfare obligations, which are varied in accordance with their needs for assistance. In other words the prosperous municipalities with small welfare burdens, like Westmount, Forest Hill, and West Vancouver, should get relatively small subsidies, while poorer municipalities like Verdun, East York Township, St. Boniface, and Burnaby, should get much larger grants.

This has been done in England, where, prior to the war, the poorer and more needy local authorities often received grants four or five times larger per capita of population than their more prosperous neighbors, and the same principle is also being employed in many of the American states. Various "equalization" formulaes may be employed to implement this principle. Not until the principle is generally applied in Canada will there be a stable financial basis for the local welfare services, nor will municipalities be protected against bankruptcy on account of welfare charges.

4. At the provincial level there should be extensive reorganization of administrative machinery, designed to integrate the welfare services in one or two departments and to develop effective co-ordination between the various branches.

In most of the provinces the model scheme of organization proposed by the American Public Welfare Association and largely achieved in some of the more progressive states might well be taken as a guide.

This involves the grouping of all public assistance, child welfare, mental hygiene, and correctional services in the one department. At present these services are scattered among three or more departments or agencies in all of the provinces.

It is particularly urgent that unemployment relief, old age pensions, and mother's allowances, the main public assistance services, should be grouped together.

However, no formula of organization is applicable to every situation. In Ontario and Quebec there is a case to be made for separate departments of mental hygiene, to deal with their large mental hospital programmes. There is also something to be said for grouping mental hospitals with the public health services, as is now done in Alberta, Manitoba and Ontario.

There is also a great need for intra-department housecleaning. The reorganized welfare departments should have, besides main operating divisions, divisions to be concerned with over-all functions such as personnel, research and statistics, accounting and business management. Through this latter division supervision of local welfare units and direct service to persons being granted assistance should be largely concentrated, so as to reduce to the necessary minimum the number of agents and to curtail travelling expenses.

5. Provincial departments should be given ample powers to set standards of service to be observed by local and private welfare agencies.

There must be provincial standards and leadership if the various local and private units are to be made co-ordinated parts of a provincial welfare system. Hence the provincial welfare departments must have powers to set standards regarding relief scales, record systems, administrative procedures, local administrative machinery, eligibility for assistance, qualifications of personnel, and other matters of policy. The provinces should be empowered to withhold grants-in-aid from local agencies that do not comply with minimum standards, or in extreme cases to take over administration completely from the local authorities.

There is ample precedent for these proposals in the legislation and the regulations prevailing in Great Britain and the United States. In both countries central supervision of the local authorities is taken for granted as absolutely necessary if reasonable uniformity and efficiency in administration on the local level are to be obtained.

War No Excuse for Delay

If these principles of reorganization were applied throughout Canada there would be a veritable revolution in the welfare services. The change in them would be as drastic as the change from the old army of 1914-1918 to the new mechanized and motorized military machine of today. But there is nothing less to be done if the Canadian people want to get value received for the money that they spend on welfare services.

The principles that have been outlined arise out of tried and tested experience in Canada, in Great Britain, and in the United States. Canada has lagged far behind upon this body of administrative experience, so that a series of major operations is required all across the country.

The war should be no excuse for delay in reorganization. It should rather be the occasion for vigorous action. Now, more easily than before, it should be possible to cut through the barriers of political indifference, administrative apathy, vested interest in the status quo, quarrelling between different levels of government, and sheer ignorance of a better way of doing things, which thus far have stood in the way of reform. Canada is in a death struggle with the destructive forces of Nazidom, for which all its resources must be mobilized. It can afford inefficiency and incompetance neither in the military nor in the civilian areas.

And the country must prepare for social problems of terrific magnitude and complexity in the postwar period, when the best of welfare services will be strained to the breaking point.

Here is a weak spot in the home defenses that needs urgently to be strengthened now, both as a war measure and as a measure of peace.

Montreal Stock Values Record Moderate Gain

Value of listings on the Montreal Stock Exchange and Montreal Curb Market showed a further moderate advance during September. Out of 22 classifications, 18 were higher than at the end of August, bringing the total value to $7,227 millions as at Sept. 30, compared with $7,081 millions at the close of the previous month.

Minor declines were shown by four groups including aircraft, railway equipment, transportation and government bonds.

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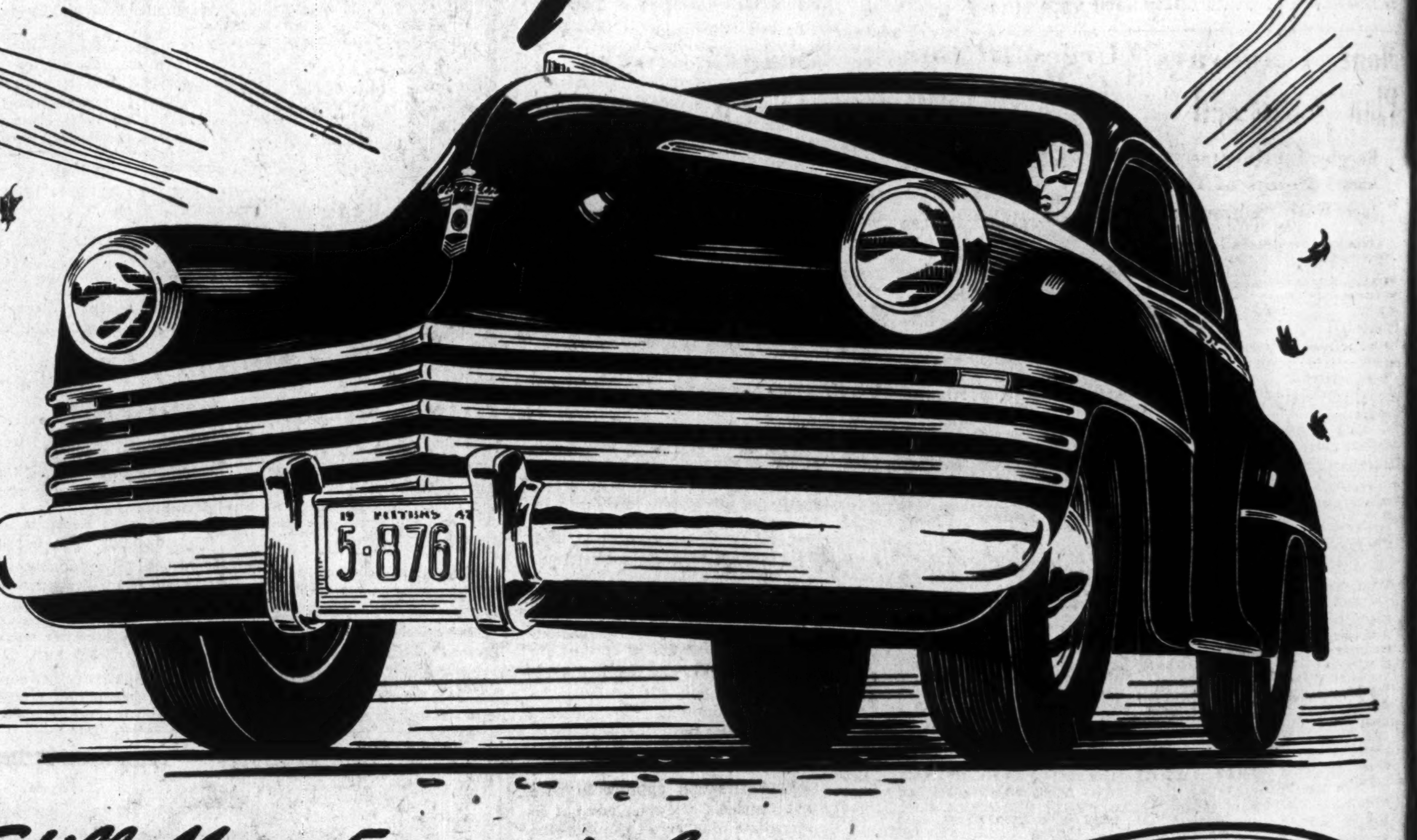

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Human Factor in Air Enigma

Science Drives Hard to Eliminate Accidents

By **RONALD A. KEITH**
Editor, Canadian Aviation

Errors in judgment were responsible for two Atlantic ferry plane crashes which resulted in the death of Hon. Arthur Purvis and 43 others in the middle of August. This information, revealed by Sir Archibald Sinclair in the House of Commons, spotlights the human factor which is presently occupying the attention of scientists in their search for total reliability of trans-ocean air operations.

In the first accident, Aug. 10, a full load of ferry pilots in a Consolidated Liberator plunged into the side of a mountain. The Chief Inspector of Accidents immediately put a senior staff man on the job. An error in navigation, leading the Liberator far off its course in poor visibility, was calculated by the investigators, but it could not be explained.

It was established that the navigation instruments had been completely and satisfactorily tested before take-off. A second inexplicable factor was the plane's altitude, less than 3,000 ft. when it crashed, while there was no apparent reason for the pilot remaining so low in limited visibility. If he had been 2,000 ft. higher he could not have hit any obstruction in the country.

The second accident, involving the late Mr. Purvis and other important passengers bound for this continent, occurred just four days later with the same type of plane taking off from the same airport, one of the best in England.

It was investigated by the Under-Secretary of State for Air accompanying the Chief Inspector of Accidents.

According to the evidence, the pilot of the four-engined Liberator had started his take-off run along a paved runway which, inexplicably, was not the one he had just announced he would use for the take-off. As the big plane gathered speed, it started to swerve off the runway.

Error in Judgment

This swerve might have been caused by the twisting movement of the propellers, known as torque. It is a phenomenon well-known to pilots of heavy aircraft but is not considered dangerous as it is brought under control with application of opposite rudder as soon as the plane gathers some speed.

Evidently in this case, however, the plane swung out of alignment with the runway and proceeded diagonally across the turf of the airfield.

At this juncture the pilot evidently lapsed into a serious error in judgment. By all the rules of flying and common sense, he should have immediately closed the throttles and applied the brakes, even at the risk of overturning the plane on the field.

Instead, he continued his take-off run with the power on, evidently confident that the plane would gain sufficient speed across the turf to take to the air within the field's borders.

Presumably the rough surface together with the heavy load of passengers and fuel for a transatlantic run frustrated this purpose. The 20-ton craft tore through the bordering fence, bumped across a road with its engines roaring, and crashed into an embankment.

Was Experienced Pilot

The pilot of this fatal aircraft was an experienced man with a reputation for sound judgment and caution. According to friends of the writer who knew him, he had repeatedly warned student aviators against the very error which he evidently committed on his last take-off.

The third accident, Sept. 1, has also been investigated but the findings have not yet been reported.

A fourth ferry bomber, eastbound across the Atlantic, was believed to have been forced down at sea. The fate of the crew has not as yet been disclosed.

While the two investigated accidents did not reveal the specific causes of human failure, the circumstances did point to at least a momentary lag in alertness. This may have been caused by fatigue or even by the after-effects of too much high altitude flying without sufficient oxygen.

The fourth disappearance might be traceable to the effects of oxygen starvation on the crew. At any rate, attention has been drawn to the important research dealing with the human factor in flying.

The aircraft and the engines which power them are close to mechanical perfection and have been adapted ingeniously to the excessive strains and the extraordinary atmospheric conditions of long-range high altitude flying.

Psychologists and medical scientists today are studying the even more intricate task of conditioning the human mechanism to comparable stress and strain.

The monotony, the prolonged concentration, the rare atmosphere and, in some cases, the low temperature of long-distance flying are likely to interfere with the mental and physical vigilance of even the best trained air crews.

High Altitudes a Problem

High altitude flying in particular has presented medical science with new problems. Most of the riddles of oxygen shortage, aero-embolism, low temperature and altitude fear have been solved on paper and in the experimental laboratory. All of the answers have not yet been applied to the field of practical operations, although the process is well advanced.

Pilots are being educated by lectures and by demonstrations to one of the most insidious and potentially dangerous of high-altitude menaces, known as anoxia, or shortage of oxygen.

Starting at about 17,000 feet and increasing progressively from there on up to the present aircraft ceiling of 40,000 feet, the rare-air danger is ever-present. This menace can be completely eliminated by the use of an oxygen mask, but the effect of oxygen shortage is so gradual, like carbon monoxide poisoning, that the victim is in the grip of it before he knows it.

Except at extreme altitude, anoxia is not itself fatal. But sufficient evidence is already at hand to demonstrate its menace to unwary flight crews.

The effects and the after-effects of oxygen starvation are almost identical in some respects to intoxication. The subject experiences a dulling of the senses, a false bravado, and a completely carefree attitude even in the face of imminent peril.

Oxygen Starvation

The story is told of two pilots flying a bomber to Britain. They had climbed to considerable altitude to take advantage of favorable winds, but failed to recognize the necessity of taking oxygen. Eventually one engine cut out. There was a pause, then the Captain, with a laugh, remarked on the fact. The First Officer just laughed and the plane continued on, losing altitude. Then the remaining engine quit.

Some moments after the plane had started on its steep and silent glide toward the ocean, the pilots became aware of their plight. Suddenly alert, they discovered they had neglected to switch over to a second fuel tank. Fortunately, the flick of a switch restored the fuel flow to the engines and they roared to life.

The pilots had been near-victims of oxygen starvation.

Present experiments with automatic oxygen supply, artificially heated flying clothing and, for the future, pressurized cabins promise to reduce even further the atmosphere's interference with normal human activity in the sub-stratosphere.

The disastrous ferry plane crashes have served to emphasize the necessity for periodic "maintenance and overhaul" of the men as well as the machines which are serving in the ferry command.

Aluminium Ltd. Declares Extra

Increase in Regular Dividend is Expected Next Year

From Our Own Correspondent

MONTREAL. — Aluminium Ltd. has declared, in addition to the regular payment of $2 quarterly, a special dividend of $2 in Canadian funds on the common stock. Both payments will be made Dec. 5 to shareholders of record Nov. 15.

With the special dividend, Aluminium Ltd. will have distributed this year $10 a share on its common stock, as against $8 a share in 1940 and $4.25 a share in 1939. In the latter year the company also declared a stock dividend of one new share for each 10 shares held.

Payment of the special dividend this year indicates that earnings are comparable with 1940 when net profits were equal to $16.03 a share on the common stock.

Though unconfirmed, there are persistent reports that the company intends to place the common stock on a regular quarterly dividend basis of $2.50 in 1942. On the basis of earning power, there would appear to be no reason why the company should not adopt this policy.

During the four-year period from 1937 to 1940, common stock earnings range from a low of $11.83 to $20.57, for an average of about $16 a share. While there are no official figures as to current earnings, it is anticipated the increase in production will offset higher taxes, so that the company should show net profits on as good a base as in 1940.

Canadian Pulpwood Exports Continue High

From Our Own Correspondent

MONTREAL. — Exports of pulp wood from Canada to the United States during last July amounted to 195,392 cords to the value of $1,927,300, according to a report released by the United States Department of Commerce.

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Mont. Tramways Plan Analyzed

Ruggles Committee Outlines 9 Points of Difference With Scheme

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. First Mortgage Bondholders Committee under the chairmanship of C. O. Ruggles, has asked bondholders to wait for developments before taking action with respect to their bonds.

This committee, which is in opposition to that headed by R. P. Jellett, vice-president of the Royal Trust Co., lists nine points in connection with the plan recently put before the bondholders for approval:

(1) Unnecessary sacrifice through reduction of the redemption price of 105 to 100½;

(2) No provision for replacement of obsolete equipment;

(3) Further information wanted on past depreciation policies;

(4) Sinking fund appears to be inadequate;

(5) Common stock dividends should be prohibited during term of extended maturity;

(6) No provision for representation by bondholders and managements;

(7) Proxies are permitted to modify a scheme without prior consent of bondholders;

(8) Claim that marketability of bonds may be impaired because bonds once deposited may not be withdrawn;

(9) The special committee enquiring into the contract made between the company and the city has not yet made its report.

Second Inter-State Oil Reports on Position

Second Inter-State Royalty Corp. reports that as at Sept. 30, 1941, investments in all royalties had a book value of $247,470. Gross revenue from royalty income since acquisition amounted to $54,587 to the end of August last, and the reserve for depletion totalled $15,011.

During last August, the Corporation had a gross royalty income of $648, while accumulated royalty income for 1941 to the end of August amounted to $5,415.

Urges All Join Audit Bureau

At the annual meeting of Class A Weeklies of Canada held last week in Toronto a motion was passed urging that all members of Class A Weeklies take steps to join the Audit Bureau of Circulations during 1942, with a view to considering ABC membership as one of the standards of membership of Class A Weeklies at the next annual meeting.

Out of the Class A membership list of 41 weekly newspaper publishers 24 are now members of ABC, 3 have made application and 14 are non-members.

GEORGE W. JAMES, Bowmanville Statesman.
BRUCE M. PEARCE, Simcoe Reformer.
HARVEY F. JOHNSTON, Tillsonburg News.
L. B. CALNAN, Picton Gazette.
RALPH WHITE, Kamloops Sentinel.
H. B. ANSLOW, Campbellton Graphic.

The officers named for 1942:
GEORGE W. JAMES—Chairman.
L. B. CALNAN—Secretary-treasurer.

Montreal Aircraft Group Sets Pace

Vickers, Fairchild and Noorduyn Increase Facilities by 2,000%

From Our Own Correspondent

MONTREAL. — Development of the aircraft industry in the Montreal area has been at a pace far beyond public conception, according to a combined statement issued by T. R. McLagan, general manager of Canadian Vickers Ltd.; N. F. Vanderlip, general manager of Fairchild Aircraft Ltd., and R. B. C. Noorduyn, vice-president and general manager of Noorduyn Aviation Ltd.

During the past three years the personnel engaged by the three companies has been expanded some 2,000%, with expansion of space and equipment to match.

The output of these three plants has reached an aggregate of $3.5 millions value in aircraft, parts and repair work per month. Practically every month of this year there has been an increase in output over the previous month.

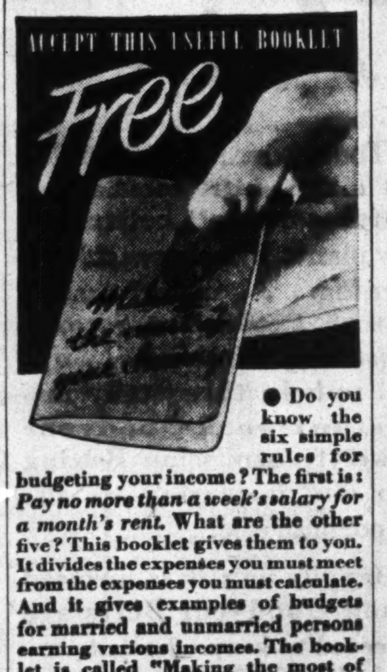
Seagram Gets Alcohol Order

The first definitely signed contract with any liquor company to undertake the production of grain alcohol for national defense purposes in the United States by converting corn into industrial alcohol is reported with Joseph E. Seagram and Sons, Inc. Under the contract signed in Washington, Seagrams will start production of alcohol for the government about Nov. 1.

The alcohol is to be used to make smokeless powder and it is understood this is the first time that grain alcohol in large quantities will be used in the production of munitions.

The Seagram organization is to devote plant and equipment to convert 65,000 bushels of corn a month. It is estimated that the U. S. Army Ordnance Department will require from 50 million to 80 million gallons of industrial alcohol during the coming year. Each 1,500 lb. of powder requires 65 gallons of alcohol for its manufacture and this amount of powder is used in a 16-inch naval shell.

Further contracts with liquor companies in the United States are under negotiation to produce this alcohol. Among them is the Hiram Walker Distillery at Peoria.



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STABILIZATION OF PRICES AND WAGES

Your Country asks your loyal support of this necessary Wartime Measure

TWO NEW CONTROLS have now become essential in Canada's wartime design for living. These are:

(1) Control of Prices

Commencing November 17, 1941, there may be no increase in the prices of goods and services generally unless absolutely necessary and authorized by the Wartime Prices and Trade Board.

(2) Control of Wages

No employer, with certain limited exceptions, may increase the basic wage rates paid to his employees unless authorized by a Board on which the Government, employers and employees are represented. But after February 15, 1942, every employer, with the same exceptions, will be obliged to pay a cost of living bonus and to adjust this bonus every three months.

Action Necessary to Stop Inflation

This Government action has been taken to prevent the inflation we knew in the last war, and its subsequent depression, unemployment and suffering.

Every housewife knows that prices are rising, and rising prices, unless controlled, will make it more costly and difficult to finance the war. Rising prices, unchecked, will spread confusion in industry and trade; will hinder production and proper distribution of supplies; will make the cost of living rise more rapidly than wages and salaries; will lessen the value of savings; will result in hardship for almost everyone, and especially those with small incomes. And the result of uncontrolled inflation, after the war, when prices drop, will again be depression and unemployment. Prices cannot be controlled without control of wages. Excess profits are, and will continue to be, under rigid control.

Coverage of Wages Stabilization Order

The Order is applicable to the following employers:

1—Every employer normally subject to the Industrial Disputes Investigation Act.
2—Every employer engaged in the manufacture of munitions of war, or war supplies, or the construction of defence projects.
3—Every building trades employer with ten or more employees.
4—Every other private employer with fifty or more employees.

The Order does not apply to employers in agriculture or fishing, or to hospitals, religious, charitable or educational associations operated on a non-profit basis.

Wage Provisions

Except on written permission of the National War Labour Board, no employer may increase his basic wage rates. This permission can only be given in cases where the Board has found the wage rates to be low. Wage rates which are unduly high will not have to be decreased, but in such cases the Board may order the employer to defer the cost of living bonus.

Cost of Living Bonus

Every employer covered by the Order must pay to all his employees except those above the rank of foreman a wartime cost of living bonus.

Effective November 15, each employer already paying a bonus under PC 7440 of December 16, 1940, shall add to such bonus an amount based on the rise in the cost of living index for October, 1941, above the index number used to determine the current amount of the bonus.

Effective February 15, 1942, each employer who has not been paying a cost of living bonus must begin to pay a bonus based on the rise in the index between October, 1941, and January, 1942, unless ordered by the Board to base the bonus on the rise in the cost of living over a longer period.

The bonus is calculated on the following basis: For each rise of one point in the cost of living the amount of the bonus shall be 25 cents per week, except for male workers under 21 years of age and female workers, who, if employed at basic rates of less than $25.00 per week, shall receive a bonus of 1 percent of their basic wage rates.

These bonuses will be adjusted regularly every three months.

Administration

The Order will be administered by five regional Boards under the direction of a National War Labour Board. Labour and employers will be represented on each of these Boards. Watch for the announcement of these Boards to which inquiries concerning the application of the Order should be directed.

Whole-Hearted Support Required

Your Government knows that this policy, as it affects labour, industry, commerce, and agriculture, demands a degree of restriction to which Canadians are not accustomed, and is directly a wartime measure. It will demand self-discipline and self-control. It will need the whole-hearted support of every one who has the well-being of his fellow citizens at heart. But by loyal co-operation, Canadians can have much more assurance that the fears, sense of insecurity, the suffering and profiteering which inflation always brings, will neither interfere now in the winning of this war, nor in the recovery and reconstruction of Canada and the Canadian way of living after the war is over.

Issued under the authority of
Hon. N. A. McLARTY,
Minister of Labour.

Montreal Plan Is Regarded With Favor

City Council Reviews Programme For Long-range Rehabilitation

From Our Own Correspondent

MONTREAL.—Favorable reaction to the reorganization scheme presented a week ago has been generally voiced in Montreal municipal circles.

An important question mark still left as negotiations open is the extent of supervision and the method to be exercised by the province and bondholders' representation over the municipality's affairs, if the plan is implemented.

Complete reorganization of the city's finances is provided by the co-operative plan for long-term rehabilitation of Canada's largest municipality. Evolved by the bondholders' committee, representing the larger institutional holders of the city's debt and the provincial municipal department, controlling the city's affairs for the past 17 months, the plan is being studied by city council and executive committee.

Insist on Control

While the bondholders' committee has not gone on record, it is understood it will not agree to the plan being put into operation unless there is effective control over the city's administration. A number of methods for achieving this have been suggested. It is also understood the Godbout government is anxious to place some rein over the city's activities until it is clearly out of the financial morass in which it has been for the past several years.

Sacrifice by Bondholders

If the plan receives approval of all parties concerned, debenture holders will be called upon to make a sacrifice in interest rates, and accept extension of principal maturities.

The city will benefit accordingly. It will set out on a 35-year journey to financial health. Its large bank debt and other floating debt will be subject to a 10-year retirement schedule. Substantial annual provision for debt retirement will progressively lessen the burden of interest charges.

The city's gross funded debt at present is approximately $265 millions, against which the sinking fund holds $46 millions. Under the refunding scheme the city's public debenture debt would be reduced to $212 millions.

Reduce Debt Charges

Debt service requirements under the plan would range from $13.5 millions in 1942 to $13.8 millions in 1952 and thereafter. In the year ended April 30, 1941, the city set aside $19 millions for debt interest; $18.1 millions in 1938-39; $17.6 millions in 1937-48 and 1936-37

The debenture holders would receive new 35-year 4% series B consolidation debentures for the majority of existing debentures. Where obligations bear a lesser rate than 4%, existing rate will continue to their present maturity.

Bank loans would be liquidated by issue of new 3½% series A debentures repayable serially in 10 years from 1942.

The new series B consolidation debentures which would be issued to present debenture holders would be dated Oct. 31, 1941, the date at which the scheme is to take effect.

Give Cash Premium

Holders with obligations bearing a higher than 4% coupon are to receive a cash payment on one half of the premium resulting from valuation of the debentures at Oct. 31, 1941, for their then unexpired terms to yield 4% annually on a semi-annual basis.

The 3% permanent stock of the city is to remain, while the 7% permanent stock is to be retired at Oct. 31, by cash payment of 120% of face value plus accrued interest. There is $6.8 millions of the 3% stock outstanding and $411,200 of the 7% stock.

The new series B consolidation debentures would be callable at par, except no call is to be made for refunding purposes prior to Oct. 31, 1951. This would permit the city to reduce its funded indebtedness at a greater rate than provided for under the retirement schedule.

Proposed debt retirement provisions become operative in 1952. The series B debentures can be redeemed by purchase on the open market or by public or private tender at a price not exceeding par plus accrued interest.

Would Set Up Fund

A local improvement fund is to be instituted from assets of working capital fund, less liabilities and future local improvement taxes. From April 30, 1942 to April 30, 1952, the fund is required to invest a minimum of $1 million in series B debentures and to hold the securities in the fund until Oct. 31, 1952.

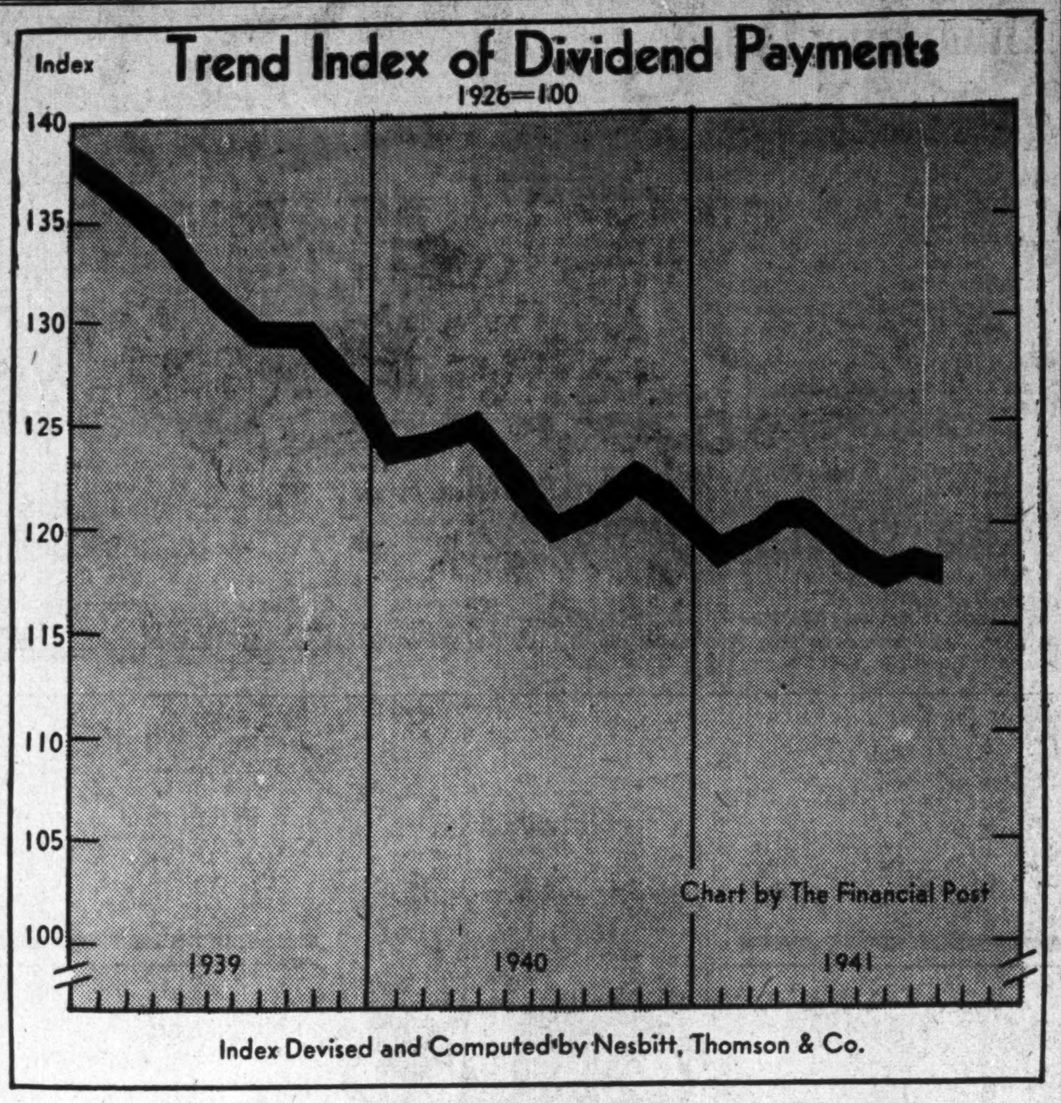
The municipality can draw $2 millions annually from the fund to form part of its general revenues for paying debt service. Any surplus in the fund is to be invested by open market purchases in Dominion, Province of Quebec, or debentures of the city itself.

The plan would authorize issue of $40.5 millions of series A debentures. They will be dated Oct. 31, 1941, mature serially to Oct. 31, 1951, in maturities ranging from $3.4 millions in 1942 to $4.7 millions in 1951. They may be issued up to $24 millions full or part for bank debt, or as collateral security for treasury bills.

The city defaulted on its obligations in May, 1940. Since that date it has been paying serial debenture maturities but defaulting term debentures.

In the new arrangement the city would be relieved from the necessity of providing uncertain and unwieldly sinking funds. Annual debt retirement would obviate the necessity of management of a fund, and would ensure steady reduction of debt.

Steady retirement of debt would mean debt service charges of $10 millions in the first year of operations would be reduced to $602,000 in 1976, the final year of the proposed plan.



Index Devised and Computed by Nesbitt, Thomson & Co.

Since the middle of 1938 the trend of dividend payments, as shown by the index computed by Nesbitt, Thomson & Co., has been downward. Since the war the down trend has been accelerated. The index for September was 118.4 which compares with 122.0 a year ago and 130.0 for Sept., 1939. This index, based on 1926 as 100, does not attempt to measure the actual total of dividend payments. It uses the payments made by 47 Canadian companies — industrials, utilities, banking and finance companies — to aid in studying economic conditions in Canada. It is claimed that this index eliminates difficulty in month to month comparisons due to irregular payment dates, duplication where holding companies and subsidiaries and investment trusts are included in totals, the foreign influence in Canadian industry and the international flow of dividends.

This index will appear regularly in The Financial Post, among the weekly figures on Canadian business under heading "The Week in Business."

Canada Now Enlarging Explosives Programme

Canada is spending an additional $2 millions to expand capacity to produce explosives and chemicals, according to announcement by Munitions and Supply Minister Howe.

Stating that expenditures for explosives and chemicals and ammunition filling plants now totals more than $112 millions, Mr. Howe suggested that still further enlargement of the programme may be needed.

Of the 23 projects in this programme now underway, 20 are stated to be operating and the three remaining plants to start production late this autumn. Half of the operating plants are said to be major undertakings. Three of them are explosives plants, two are shell-filling units, one is engaged in fuse-filling, two are making ammonia, another a special chemical and the last sulphuric acid.

Eight of the smaller undertakings now operating are chemical plants, making such items as perchlorates, a smoke-producing chemical and important intermediates, while one is engaged in making special powders. Of the plants still to commence operations, one is a major explosives undertaking.

Mr. Howe stated that in September several millions of dollars' worth of explosives and chemicals were produced and production is increasing steadily. Nearly 9,000 men are now employed on construction work in this programme and 13,000 on production. Upon completion of the programme it is estimated that about 30,000 men and women will be employed.

Blank-Stoller photo.

HEADS ALCOHOL FIRM

Hon. Elie Beaugrand, K.C., who has been elected president of Canadian Industrial Alcohol Co., to succeed the late Hon. Gordon W. Scott.

Nfld. Finances Sharply Better

September Surplus is $873,582 Against $156,-264 Last Year

Sharp upturn in the finances of the Newfoundland Commission of Government is evident in the Department of Finance summary of financial activities in September and the first three months of the financial year.

In September collections rose $658,517 over the same month last year; expenditure was cut $58,801. The Commission of Government showed surplus for the month of $873,582, nearly as large as its expenditure of $920,139. In September, 1940, a surplus of $156,264 was shown, at a time when the government's war finance policies were just getting into high gear.

Revenue in the three months of the government's financial year, which began July 1, increased by about a third over the same period last year to $4.6 millions. Expenditure was lowered by $151,440 to $2.7 millions.

Revenue and Expenditure September

	1941 $	1940 $
Revenue:		
Customs	1,521,164	954,825
Posts & telegraphs	78,259	60,130
Assessor of taxes	94,530	44,887
Natural resources	9,829	18,637
Other	89,939	56,725
	1,793,721	1,135,204
Expenditure:		
General	917,297	974,214
Debt charges	2,842	4,726
	920,139	978,940

Three Months Ended Sept. 30

	1941 $	1940 $
Revenue:		
Customs	3,748,968	2,454,064
Posts & telegraphs	224,216	174,404
Assessor of taxes	325,311	174,574
Natural resources	57,348	37,784
Other	239,682	219,567
	4,595,525	3,060,393
Expenditure:		
General	2,711,624	2,861,126
Debt charges	2,842	4,780
	2,714,466	2,865,906

Census Figures Show Big Increase

Continued substantial gains, particularly in northern centres of Quebec and Ontario, are revealed in the latest list of towns issued by the census authorities. Following is the most recent list:

	% Gain or Loss	1941 Census	1931 Census
Chicoutimi	+34.50	15,974	11,877
Hull	+10.33	32,474	29,433
Jonquire	+45.67	13,763	9,448
Shawinigan Falls	+31.88	20,237	15,345
Westmount	—0.46	24,123	24,235
Woodstock	+10.58	12,325	11,146

Canada's Aluminum Industry Expanded Over Five Times

From Our Own Correspondent

MONTREAL.—Canada's aluminum industry has expanded by more than five times since the outbreak of war, according to A. W. Whitaker, general manager of the Aluminum Co. of Canada Ltd. This has been made possible, he said, by a combination of Quebec water power, British Guiana bauxite, Greenland cryolite and Newfoundland fluorspar.

Water power development on the Saguenay River, Canada's greatest contribution to the aluminum industry, is now being expanded "from an approximate 750,000 installed h.p. to 1,250,000 and possibly 1,750,000 h.p.," he said.

Involved Big Job

This increased development "did not involve only the building of large dams and power houses on the Saguenay," he added, "but men going up hundreds of miles into the spaces of northern Quebec to develop additional storage areas. Thus last year we built Manouan Dam, located on the same latitude as James Bay. This meant flying in over 1,900 tons of equipment, 750 men, horses and oxen. It was the largest air freighting contract ever let in Canada.

"This year," continued Mr. Whitaker, "we are undertaking the creation of a still larger storage area on the Peribonka River. A 60-mile road must be built through virgin country, a concrete dam 100 ft. high to store approximately 150 billion cu. ft. of water is to be built and the result will be 60,000 more h.p. on the Saguenay River, to turn out more aluminum for war needs."

Build New Plants

Paralleling this work was construction of new plant facilities to turn out fabricated aluminum parts never before made in Canada. "We began to plan for new fabricating facilities in 1938," said Mr. Whitaker. "The British Government was so impressed by the need of these facilities that soon after, working in co-operation with Britain, we began construction of a new rolling mill and extrusion plant at Kingston.

"We did not stop at that, but built a forgings plant, only recently completed, which is equipped with a 35,000-lb. hammer, one of the three largest in the world, used to hammer out aluminum airplane propellers in one piece, the first ever made in this country."

More Raw Materials

At the same time in tropical British Guiana and Trinidad, bauxite and shipping facilities were being increased.

At Trinidad, new wharfage and shipping facilities were built to facilitate handling of the bauxite ships on their voyage from Mackenzie, British Guiana, to Port Alfred, on the Saguenay River.

The final result of this work, extending over a whole hemisphere, is "the creation of a new aluminum fabrication industry in Canada," said Mr. Whitaker, "and increased production of ingot aluminum by more than five times. Through benefits of mass production, the selling price of aluminum has been reduced to 10% less than the prewar level."

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Britain at War—An Industrial Miracle

Why R.A.F. Will Never Again Face Nazis With Odds of 1940

Herewith is the first of two articles written expressly for The Financial Post by Colonel George Drew who has just returned from an extended visit to the United Kingdom. A trained observer as his many newspaper and magazine articles have proved and enjoying an entree to the very best-informed circles, Colonel Drew's first article gives an unusually clear and comprehensive picture of the industrial situation in Britain today.

By COL. GEORGE DREW

British industry has performed miracles in the past 16 months. Lord Gort has recently told us how inadequate his fighting equipment was to meet the German onslaught in May last year.

A month later all of that was lost when our troops were evacuated through Dunkirk. Except for the British forces in the Middle East, the whole British army was almost completely stripped of modern war equipment.

Churchill put the situation in these words on June 4: "The best of all we had to give had gone to the British Expeditionary Force, and although they had not the numbers of tanks and some articles of equipment which were desirable, they were a very well and finely equipped army. They had the first fruits of all that our industry had to give, and that is gone."

Had Hitler attempted invasion then, the British had little with which to fight but rifles and shotguns and all too few of those. They would have fought like tigers and to the end but it can be said now that the situation was truly desperate.

It should not be forgotten that the courageous action of President Roosevelt and the prompt delivery by the United States of substantial quantities of old artillery weapons, machine guns, and rifles played a vitally important part in the temporary re-equipment of the British troops to meet the invasion which was then thought to be imminent.

Now the situation is very different. How different it is we can best judge from this fact: Whereas little more than a year ago, the British people were being warned by their Prime Minister to be prepared to fight every inch of the ground in every village and in every street, today many of those same people are demanding that we start to fight on the ground of the enemy.

The British people themselves hardly realize the extent of the miracle which is implicit in that change of attitude.

Most Modern Equipment

The British army is equipped today with tanks, guns and weapons of the most modern type. The day of improvised fighting equipment has passed. It is of excellent quality and almost every bit of it was made in the workshops of Great Britain including the weapons of the Canadian troops now in the British Isles.

Let there be no mistake about it: the arming of the British Army in England and the main burden of war production for some time to come depends upon the workshops of Britain.

It is not suggested that the whole of this production has been the result of efforts made since June of 1940. Much machinery had been installed and plans had been adopted for the wartime production of particular types of weapons of aircraft and of other war requirements.

But the scale and speed of production had been based up to that time upon the assumption that Britain's main role was to be at sea and in the air, while the main burden of the land war was to be borne at the outset by the armies of France which were said to be the best armies in the world.

When France collapsed it became necessary not only to re-arm the existing forces but to arm a very much larger land force than had been thought necessary at the outset.

That task has been met with amazing success not only because of the vigorous leadership given to the production programme, but also by the spirit of wholehearted co-operation which exists within British industry.

That co-operation would not have been possible without the appointment as Minister of Labor of Mr. Bevin or someone else regarded with equal confidence by the British Trades Unions.

There seems no doubt whatever that Mr. Bevin was the best man for the job and he has justified the confidence which Mr. Churchill imposed in him at that critical hour. There is no better example of the extent to which past differences were forgotten in the effort to establish real unity of action than Mr. Churchill's choice of Mr. Bevin for this vitally important post.

In the days when Churchill was trying to warn the British people of the impending storm, no one was more bitter and, as it turned out afterward, more inaccurate in his denunciations, than Mr. Bevin.

It is typical of the spirit of Britain however that these two men should be fighting shoulder to shoulder for the country they have served in different ways, but have served at all times to the best of their ability.

With the formation of a new Government **last year a committee made up of equal numbers** of employers and of representatives of the British Trades Unions was immediately appointed. They brought in a number of recommendations designed to increase British war production.

The first of those recommendations and, in its effect, much the most important, was that, for the duration of the war, there should be no stoppage of work because of labor disputes.

That recommendation received the unanimous support of the representatives of the unions and of employers. Legal measures were adopted to enforce it and since those measures were put into effect they have received the constant support of the powerful Trades Union Congress.

No single act of the British Government has had more effect upon the miracle of production performed by British industry than the adoption of this measure and the setting up at the same time of a national arbitration tribunal for the settlement of disputes by judicial process. In no single phase of the war effort has there been such a contrast between what happened in the last war and in this.

In the last two years of the last war when industrial production was of vital importance 12 million working days were lost in Great Britain through labor disputes.

In Great Britain today there is no loss of work and no stoppage of war effort for that reason. Largely because of that fact there is the best possible feeling between the British armed forces and the workers in the factories who supply them with the tools of war.

From North to South—

From north to south, Great Britain is today a mighty arsenal. Through the dispersal of industry which had as its primary purpose the avoidance of vulnerability from air attack, industry has been carried into the smallest village.

As an example, the huge Bristol Aircraft Company has been dispersed into nearly 45 different centres and other large producers have been dispersed to 20, 30 or 40 centres on a similar basis.

This may have slowed down production during the process of dispersal, but now production is mounting by leaps and bounds everywhere.

Even if single units should be destroyed by bombing attack, there is no line of war production in which there is any reason to expect that bombing could possibly prevent the production of any needed war equipment.

This dispersal of war plants has been accompanied by a concentration of production in other lines. By concentrating the manufacture of non-military requirements more than 16.5 million square feet of factory space have been made available for other types of production and more than 110,000 workers in those industries have been made available for war work or for the army.

"It is in the production of tanks and guns that the most remarkable expansion has taken place."

These steps have been made possible by extremely efficient direction of affairs by the Ministry of Supply and its related departments. Day by day and every hour of the day they maintain a direct and vigorous contact with industry and with labor throughout the whole of the British Isles.

This has been done through decentralization of control which makes it possible to make immediate decisions in regard to priorities of supply, the distribution of work, and the adjustment of labor requirement.

In each main industrial area throughout the whole of England and Scotland, there is a regional director directly responsible to the Ministry of Supply in London but having, in turn, direct authority over the industries in that region.

These regional directors are men of great ability and considerable industrial experience. They have under them an efficient staff maintaining direct contact at all times with the employers and with the unions representing the employees. They supervise production and if any plant should be falling short of its capacity, they have the power to order necessary changes. That power can even be carried to the extent of placing the plant under new management.

This power has been exercised only on rare occasions but the fact that it does exist is a powerful lever in the few cases where there is any lack of co-operation on the part of those managing the factories. Such cases are, however, very rare indeed.

I visited many of the largest munition plants and aircraft factories in England and Scotland. In most cases I was accompanied by the local Regional Director. I found that the best possible relationship existed between the directors and the managers of the factories and that it was evident that factory managers looked upon the directors in every case as a source of help rather than as an annoyance.

In discussing the whole situation with senior officials of the Ministry of Supply, they assured me that this system of placing the immediate control under Regional Directors has been one of the best features in the control of production. It has made immediate decisions possible in cases which could not have been dealt with if it had been necessary to refer all these problems to a central authority in London.

This decentralization of control of production has produced great industrial flexibility.

Careful examination of plant capacity in

(Continued on page 17, col. 3)

Carrying Canada's Postwar Debt Burden

By ARTHUR D. ELLWOOD
Investment Editor, The Financial Post

Will Canada be able to bear her post-war debt burden?

If we can, how heavy a load will it be?

That this is an important problem is apparent to everybody. Admittedly it is now secondary to the task of winning the war. But this does not mean we should lose sight of safeguards that will mean added strength.

A distinguished Canadian economist has made elaborate calculations on this subject.

He has worked out a method by which he maintains Canada can carry her increasing debt load—provided the Dominion takes the appropriate action at the right time.

While this economist has placed his study at the disposal of The Financial Post, he has stipulated that his identity be not revealed.

His conclusions are briefly:

1. The key to the whole question of war debt and its impact on the post-war economy lies in careful management of prices and maintaining the traditional Canadian relationship between cost of government and national income.

2. This price control must include keeping prices down during wartime and instituting a carefully regulated price rise after the war.

3. He estimates that a post-war price level ranging from 165% to 228% of pre-war levels, depending on how long the war lasts, would permit us to shoulder the post-war debt burden without undue difficulty.

He bases this estimate on certain basic assumptions:

1. We will be content to return to a pre-war standard of government services; that is, we won't expect the government to do more things for us.

2. Interest rates will be maintained at approximately prevailing levels.

3. The post-war objective of government finances will be to see that the Dominion will not take a greater proportion of the national income than it did in 1939.

There is a basic tie-up between price levels and this whole question of post-war debt. That this is so is evidenced by Canada's current announcement of drastic measures to control prices and costs. On the outcome of these attempts, whether successful or otherwise, must depend much of both the aggregate amount of debt and the country's ability to carry it.

His conclusion is that Canada's basic policies of finance must be to keep prices down during the war and to let them rise to a carefully predetermined level after the war.

Depending on whether the war ends by March 31, 1943, or may continue six more years to March 31, 1949, the calculations of this economist indicate that post-war prices need to rise to levels from 165 to 228% above immediate pre-war levels. Given this situation—and still subscribing to the basic assumption stated above—then Canada should be able, this man holds, to shoulder her burden of debt after the war with little more difficulty than in the last pre-war year.

He argues that prices may affect this whole debt question and our ability to carry it in more than one way.

Keeps Down Debt Burden Too

During the war period, if prices are kept down, the cost of the war, and therefore the debt burden afterward, is kept down. On the other hand rising prices after the war, within reasonable limits, mean higher national income. With the debt cost fixed in the low-price wartime period, at a specified number of dollars, the proportion which this debt burden bears to the rising national income is smaller.

In other words, Canada will have to devote a smaller proportion or her national income to servicing the national debt and to maintaining an accepted standard of government services.

There are some very important differences between Canada's economic and financial position now and at a corresponding stage of the 1914-18 war.

Canada entered the last war with a national debt of $311.8 millions.

She entered this war with a debt burden of $3,385.7 millions.

But of the 1914 debt $302.8 millions, or about 97% was owed to investors in the United Kingdom—that is to persons outside of Canada.

Of the 1939 debt, however, only $480.9 millions, or 14%, was payable in a foreign currency, and $2,904.8 millions was held in Canada or at least payable in Canadian funds only.

A debt that a country owes to its own citizens is not nearly as heavy a burden as one that is owed to citizens of another country. For one thing, in the latter case, interest payments circulate among Canadians and add to the income of the country, and is subject to taxation here.

Interest rates payable on Canada's debt also differ sharply.

At Nov. 30, 1940, the average rate of interest paid on Canada's debt—Dominion and Dominion guaranteed—was 3.3%.

For 1914 the average rate on Dominion debt alone was 3.579%.

By 1919 Canada was paying an average of 5% and this rose to 5.181% for 1920.

For the fiscal year ended March 31, 1914, net debt charges of the Dominion required 9.03% of current revenues.

By 1922 this proportion had risen to 45.86%.

By 1939 it had been reduced to 35.26%.

It would be unwise to expect too close a parallel between events following this and the previous war. Recent years, for example, have seen a marked tendency for government expenditures to rise in spite of the fact that costs of national defense, at least up to the outbreak of this war, were small.

For example, old age pensions first appeared as a separate item in the Dominion accounts in 1928 but by 1940 had grown to $30 millions annually. Provincial subsidies were over $2 millions greater in 1940 than in 1920. Interest on debt, on the other hand in 1940 was over $10 millions below the 1934 peak.

On the other hand the last war saw the beginning in 1917 of income taxes, today's richest source of government revenue.

A very important difference in the way this war is being financed and the way the last one was handled is in the proportion of cost that is coming from current taxation.

In 1914, it was the fashion to pass on war costs to succeeding generations.

According to Premier King, at no time in the last war was more than 10% of Canada's national income devoted to war purposes.

This year at least 40% of the national income goes to that purpose. This policy does much to offset the larger cost of this war.

How much more war costs now compared with 25 years ago is clearly shown by Canada's war cost figures:

Canada's War Expenditures
Fiscal Years Ending In

	$ millions		$ millions
1915	60.8	1940	118.3
1916	166.2	1941	*791.9
1917	306.5	1942	†1,405.0
1918	343.8		2,360.2
1919	446.5		
1920	346.6		
	1,670.4		

*Plus aid to Britain of $795 millions.
†Plus aid to Britain of $900 millions.

Canada's record in the last war for financing its war costs by taxation was relatively better than other combatants, although far behind our programme now.

Financial aid to Britain was hardly a factor in the last war and for a comparison is here excluded.

War Costs Financed by Taxation

1914-1918:	
Canada	47%
Great Britain	30%
United States	36%
Year Ending Mar. 31, 1942:	
Canada	*78%
Great Britain	44%

*Includes war and non-war activities but excludes aid to Britain.

These tables give some idea of how much the war is costing and how Canada is going about raising the money. Naturally much of the money must be borrowed and these borrowings, as well as the total war costs are increasing in astronomical proportions.

For example, in the year ended March 31, 1940, Canada's net debt increased only $118.7 millions. The next year the increase was more than three times this at $395.1 millions and for 1941-42, the increase is estimated at $418 millions.

The latter figures make no provision for the $900 millions to be spent in aid to Britain, indicating that Canada's net debt may rise as much as $1,300 millions this year, although better than expected revenues may reduce this sum substantially.

The tabulation worked out with calculator, logarithms, etc., by this economist, was made early this year before Canada's latest price-wage policy had been conceived, an important factor in the future of the debt and revenue position of the country. To this extent at least, these figures will be subject to what-

(Continued on page 12, col. 5)

Relating Price Levels to Debt Burdens

BASIC ASSUMPTIONS	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
War continues to	1943	1944	1945	1946	1947	1948	1949
Demobilization requires fiscal year	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49	1949-50
Postwar adjustment period ends (This is year for which theoretical price level is to be calculated.)	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54
				(Millions of Dollars)			
NATIONAL INCOME PRODUCED in terms of pre-war prices (1)	5,300	5,340	5,380	5,430	5,480	5,520	5,560
DOMINION OF CANADA DEBT							
As at March 31, 1939 (last pre-war year)	3,390	3,390	3,390	3,390	3,390	3,390	3,390
Add: Cumulative borrowings for war use to end of war	2,970	3,970	4,970	5,970	6,970	7,970	8,970
Borrowings to finance demobilization	600	600	600	600	600	600	600
Debt 4th year following war would be... (Assuming balanced budget in subsequent years.)	6,960	7,960	8,960	9,960	10,960	11,960	12,960
DOMINION INTEREST AND FIXED CHARGES							
Debt interest:							
As at March 31, 1939	123	123	123	123	123	123	123
Est. int. war and demobilization borrowings cumulative at 3⅛%	111	143	174	205	236	268	300
Int. payable 4th year after demobilization	234	266	297	328	359	391	423
Add: Pensions and C. N. R. deficit*	93	93	93	93	93	93	93
Total interest and fixed charges 4th year (3)	327	359	390	421	452	484	516
Dominion Civil Administrative costs at pre-war price levels	357	357	357	357	357	357	357
10.48% of national income as in (1) above †	555	559	564	569	574	579	583
Less: Administrative costs as above	357	357	357	357	357	357	357
Difference to be made up	198	202	207	212	217	222	226
RATIO OF TOTAL INTEREST AND FIXED CHARGES TO THIS DIFFERENCE, OR NECESSARY LEVEL OF PRICES RELATED TO PRE-WAR PRICES (4)	165%	178%	188%	198%	208%	218%	228%
This level of prices (4) would bring previously calculated national income (1) to	8,750	9,500	10,110	10,750	11,400	12,300	12,690
10.48% of national income at new price level would be (2)	915	995	1,060	1,128	1,194	1,262	1,330
DOMINION EXPENDITURE WOULD BE:							
Fixed charges and interest	327	359	390	421	452	484	516
Civil admin. costs ($357 millions converted to new price level)	588	636	670	707	742	778	814
Total national expenditure (Or equivalent of 10.48% of national income as in (2) above.)	915	995	1,060	1,128	1,194	1,262	1,330
IF PRE-WAR PRICE LEVELS WERE MAINTAINED:							
Cost of civil administration would be...	357	357	357	357	357	357	357
Fixed charges as in (3) above	327	359	390	421	452	484	516
Total national expenditure	684	716	747	778	809	841	873
Which would be in percentage of national income as in (1) and would contrast with 10.48% if price levels adjusted as in (4) above.	12.9%	13.4%	13.8%	14.3%	14.8%	15.2%	15.7%

*On basis of $46 millions for soldiers' civil re-establishment and pensions and $47 millions, or last pre-war figure, for C. N. R. deficit.

† 10.48% is the percentage of Dominion ordinary and special revenues, less interest received, in year ended March 31, 1939, to national income for 1938.

Order Cuts Down Use Of Cellophane Wrapping

No Cellophane will be produced after Nov. 1 to wrap hosiery, cosmetics, and a wide range of other goods, according to a new order issued by Alan H. Williamson, Controller of Supplies, prohibiting the use of transparent film after that date for any purpose other than packaging food, candy, drugs, or tobacco, not in tins or bottles.

The new ruling will eliminate the use of Cellophane or similar material for the wrapping of textiles, hosiery, canned and bottled goods of all kinds, paper products, metal products, toilet and rubber goods, novelties and notions, soap and cosmetics, matches, salt, and fertilizers.

Reason for the order is the reduced supply of transparent film (estimated at 50%) caused by the diversion to war industries of glycerine and ethylene glycol from which transparent film is produced. The former is used in the manufacture of cordite, and the latter is a constituent of anti-freeze, used both by army vehicles, airplanes and civilian vehicles. Existing supplies of fully completed products of transparent film are exempt from the order.

No restriction is placed on the use of transparent film for the manufacture of cellulose adhesive tape. Nor does the order apply to the use of scrap transparent film, or transparent film having a thickness of 2¼/1000 of an inch or more.

Hamilton United Names New Directors

Giving effect to recent management changes in Hamilton United Theatres Ltd., the following is the revised board of directors of the company, The Financial Post is informed:

HON. W. D. ROSS, president.
G. C. WILLIAMS, JOSEPH HOBSON, H. BORDEN, Toronto; F. A. SHERMAN, Hamilton, directors.
T. J. BRAGG, secretary.

CHARTERED ACCOUNTANTS

The Public Accountant As Interpreter and Arbiter

A study of its history would indicate that accounting developed largely as an instrument of internal business control. Accounting techniques evolved and the accountant was able more and more to provide his employer or his client with data which could be used in the administration of business enterprises.

Up to a point in the development of the practice of the accountant, it might be said that accounting was essentially individualistic or private in that its objective was primarily a matter of furthering the interests of such employer or client.

But that was a transient phase. Public accountants have long recognized their social or public responsibilities. By adopting, as prerequisites to the admission of new members, a term of service in a practising accountant's office, the completion of specified courses of study and the passing of uniform examinations, and by setting also for themselves high standards of professional conduct, chartered accountants throughout Canada have placed the member of the profession in the position of an unbiased and unprejudiced investigator of fact, a seeker for the truth and a public spirited citizen.

Wartime conditions have resulted in greater supervision and regulation of industry and commerce by government. These have brought new responsibilities to the public accountant, and today he is an indispensable servant of the community. He alone among the professions occupies the unique position of interpreter and arbiter among parties of opposing interests in financial transactions. He serves simultaneously creditor and debtor, management and investor, taxpayer and tax collector, regulator and regulated.

One of a series of brief discussions of the work of the professional accountant.

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West. Canada Earnings Up

Although operating profits of Western Canada Flour Mills and its consolidated subsidiaries were lower in the fiscal year ended July 31, 1941 than in the year before, lower reserves for depreciation and income taxes brought net profits for the year up approximately $11,000. Consolidated with the parent company statement are those of the Brackman-Ker Milling Co. and Purity Flour Mills Ltd.

In presenting the report, G. R. Cottrelle, president, stated that total sales of flour for domestic consumption were somewhat lower than last year, both for the milling industry and the company. Export demand from the United Kingdom was maintained, with the company obtaining its share of the business and strengthening other export connections.

Operations of Purity Baking Co. resulted in a net loss of $263,084, deducted from surplus account in the consolidated statement. Higher flour costs and rising prices of other ingredients, it is stated, accounted for the loss.

The year's operations made an amount of $346,849 available out of earnings for addition to working capital. During the year $302,253 was expended on additions and improvements to fixed assets, largely for the completion of special improvements. Purity Baking required cash advances of $221,712 to finance expenditures on plant and equipment, including improvements to the Toronto and Calgary plants. After providing these expenditures, working capital of the company at the end of the year amounted to $623,999.

Consol. Income and Surplus Account
Years Ended July 31

	1941 $	1940 $
Operating earns.	589,110	627,755
Less: Bank int.	122,789	134,538
Exec. salaries	57,103	45,655
Legal fees	2,250	7,422
Directors' fees	4,120	3,589
Operating profit	402,848	436,551
Less: Depreciation	119,569	129,424
Income taxes	56,000	91,000
Net profit & surplus	227,279	216,127
Add: Prev. surplus	193,300	82,173
Less: W/o Purity adv.	263,084	......
Investment reserve	......	105,000
Surplus forward	157,495	193,300
Earned per Share:		
6½% $100 par pfd.	$9.42	$8.96
Common	0.52	0.44
No dividends paid.		
Working Capital		
Current assets	3,383,638	3,106,842
Current liabilities	2,759,639	2,381,680
	623,999	725,162

Say Convention Set New Record

Attendance at the Ontario Life Underwriters' Convention in Toronto recently is admitted to have established a record. The number of delegates present being over 1,500. They came from all parts of the province and represented practically all companies doing business in Ontario.

M. W. SPARLING

The convention is held each year under the auspices of the Life Underwriters' Association which brings to Toronto a number of the outstanding life underwriters of the continent to tell what methods they have found best in selling insurance.

Chairman of the convention this year was M. W. Sparling, manager of the Toronto Bloor branch of the North American Life Insurance Co. and much of the success of the convention is attributed to his efforts.

Mr. Sparling himself has a good production record, holding the degree of C.L.U.

He began life as an electrical engineer having graduated from the School of Practical Science, Toronto, in 1909. He practised his profession for some years till the company with which he was employed was taken over by another concern. He was in the automobile retail agency business till 1930 when he took up life insurance.

His summer camp in Haliburton, woodworking and golf consume most of his leftover energy.

Soo Line Revenue Off in September

Minneapolis, St. Paul and Sault Ste. Marie Railway Co. reports September net profit of $645,071 after fixed charges, compared with $984,104 in the like month of last year. For nine months, net after fixed charges was $2,187,495 against $1,743,630 in the first nine months of 1940.

Wisconsin Central Railway reports September net, after fixed charges, of $225,663 against $261,472 in September, 1940. Nine months' net, after charges is shown at $2,274,509 against $1,614,284.

Company Reports

Twin City Transit

Interim report on the operations of Twin City Rapid Transit Co. for the nine months ended Sept. 30, 1941, continues to show gains over the corresponding period of last year. In comparison with the first half of the current year, however, the gains have not been maintained. The report on the first six months showed net profit of $126,173, which has since been reduced to $40,713 for the nine months' period, indicating that the third quarter's operations ran into a deficit. The same trend was visible last year, when net profits of the first half of $92,283 gave way to net loss of $41,309 for the nine months.

Consol. Income Account
Nine Months Ended Sept. 30

	1941 $	1940 $
Oper. revenue	6,305,217	6,145,411
Oper. expenses	5,555,423	5,487,845
Oper. income	749,794	657,566
Other income	10,947	10,961
Gross income	760,741	668,527
Less: Bond int.	613,503	640,665
Bond disc. w/o	42,717	44,680
Miscellaneous	11,852	11,916
Income taxes	51,956	12,575
Net profit	40,713	*41,309

*Loss.

Laura Secord

In its latest fiscal year sales of Laura Secord Candy Shops Ltd. advanced to $2.5 millions against $2 millions in the previous year ended Sept. 30, 1940. Income taxes advanced from $120,000 to $209,000 with the result that the increase in operations only brought a gain in net profits of approximately five cents per share. The margin of dividend coverage has been correspondingly improved by that amount, the rate of dividends having continued at 80 cents per share against earnings of 85.2 cents this year, 80.3 cents last year.

Working capital gained nearly $19,000 to end this year at $1,863,895. No change in the investment in Fanny Farmer Candy Shops shares is shown on the balance sheet, the total invested in these securities appearing at $121,263 against a market value for the investment of $112,134.

President John D. Hayes states that the company is now operating 87 shops in Ontario and Quebec, along with the two studios at Toronto and Montreal. Annual meeting is to be held Nov. 12.

Income and Surplus Account
Years Ended Sept. 30

	1941 $	1940 $
Gross sales	2,488,825	1,997,089
Operating profit	469,034	390,641
Less: Exec. salaries	51,405	49,762
Legal expenses	502	2,450
Depreciation	19,594	22,488
Add: Invest. income	51,922	45,708
Profit on securities	2,512	*11,765
Profit on equip. sold	1,937	1,203
Net earnings	453,904	351,087
Less: Income taxes	209,000	120,000
Net profit	244,904	231,087
Less: Dividends	230,000	230,000
Surplus for year	14,904	1,087
Add: Prev. surplus	1,189,263	1,194,931
Less: Inc. tax adj.	......	6,755
Surplus forward	1,204,167	1,189,263
*Loss.		
Earned per Share:		
Common	$0.852	$0.804
Paid	0.80	0.80
Working Capital	$	$
Current assets	2,087,233	1,975,473
Current liabilities	223,338	130,562
Working capital	1,863,895	1,844,911

Wings Limited

Through reductions in operating and administrative expenses and depreciation, as well as a small gain in gross operating revenues, Wings Ltd. was able to reduce its operating loss for the year ended May 31 last, from $35,666 the previous year to $16,331. After other income was added, the net deficit for the past year was $7,366 against $39,843.

Working capital shows improvement, chiefly due to the gain in cash from $6,051 to $42,469.

Operating statistics show the following comparison with a year ago:

Operating Statistics

	1941	1940
Hours flown	4,918	4,788
Miles flown	476,888	476,706
Pay passengers	4,222	4,989
Goods carried (lb.)	1,361,638	1,286,027
Mail carried (lb.)	241,738	182,855

At May 31, 1941, the company owned 11 aircraft all in good condition. The government purchased the Noorduyn Norseman aircraft owned by the company last year for R.C.A.F use.

The company is half owner of Winnipeg Air Observer School Ltd. which operates the No. 5 Air Observer School at Stevenson airport, Winnipeg. Its subsidiary, Mid-West Aircraft Ltd., is overhauling primary trainer engines under contract with the Department of Munitions and Supply. The latter has indicated a substantial increase in equipment for this work, to get under way this year.

F. Roy Brown, president, states hopes of improved competitive conditions through action of the Board of Transport Commissioners for Canada have been disappointed. High speed "luxury" equipment has been put in operation in competition with Wings Ltd. but the company's directors consider they are not now justified in putting the company's funds into aircraft of a type suited for war service.

Consol. Income and Surplus Account
Years Ended May 31

	1941 $	1940 $
Operating revenue	178,166	175,330
Less: Oper. & admin. exps.	180,505	195,314
Depreciation	13,992	15,682
Net oper. loss.	16,331	35,666
Less: Other revenue	3,000	278
Profit on equip. sold	5,965	......
Add: Loss on invest.	......	4,455
Net loss for year	7,366	39,843
Add: Prev. deficit	33,273	*6,570
Deficit forward	40,639	33,273
*Surplus.		
Working Capital	$	$
Current assets	99,318	66,382
Current liabilities	47,492	25,046
Working capital	51,826	41,336

Hiram Walker

Highest earnings in its history are reported by Hiram Walker-Gooderham & Worts Ltd. for the year ended Aug. 31, 1941. Net profits, after allowing for dividends on the preference shares, were equivalent to $8.78 a share on the common. This compares with $7.60 a share for the preceding year.

Earnings for the final quarter of the year were equivalent to $2.84 a share compared with $2.22 a share on the common for the corresponding period of the previous year.

The company's preliminary statement shows operating profit of $12.1 millions compared with $9.3 millions. Income and excess profits taxes are approximately doubled at $4.1 millions.

Consol. Profit and Loss Statement
Three Months Ended Aug. 31

	1941 $	1940 $
Operating profit	3,228,281	2,404,238
Add: Other income	166,703	50,531
Net earnings	3,394,984	2,454,769
Less: Depreciation	225,408	207,871
Debent. int. & exp.	132,125	128,891
Bank interest	32,781	9,122
Income & E. P. tax.	808,395	363,079
Net profit	2,196,275	1,745,806

Years Ended Aug. 31

	1941 $	1940 $
Operating profit	12,057,945	9,262,672
Add: Other income	448,492	295,311
Net earnings	12,506,437	9,557,983
Less: Depreciation	841,060	810,552
Debent. int. & exp.	532,260	517,986
Bank interest	81,877	61,894
Income & E. P. tax.	4,129,271	2,101,887
Net profit	6,921,969	6,065,664

Carrying the Postwar Debt

(Continued from page 11)

ever adjustment experience in the actual working of this policy may make necessary, something that can't be estimated yet.

He makes certain basic assumptions. The figures provide for continuation of the war as long as March 31, 1949. The date March 31 is merely taken for convenience in calculation as it coincides with the Dominion fiscal year-end.

He estimates that a year will be required for demobilization, a fact strongly supported by last war experience. He also assumes that a further four-year period will be needed for the Canadian economy to settle down to something resembling normal, again based on last war experience.

National income is worked out mathematically, using a combination of factors which include rate of growth of population, with allowance for wartime interruptions, and on pre-war experience which showed national income growing twice as fast as population.

In each case the immediate pre-war year was taken as the base and the national income figures listed are actually those for the fourth year after demobilization.

For the debt calculations, the Dominion debt as at March 31, 1939, last peacetime figure, is taken as the starting point. Borrowings in the year ended March 31, 1940, were taken at $970 millions and an annual increase of $1,000 millions allowed. Then for the demobilization year, $600 millions is allowed, again based largely on the post-war period of 1919-20. This $600 millions would be used to get the wheels rolling again on peacetime work; they would smooth over the transition period and give pent-up civilian demand a chance to get working.

The result is an estimate of what Canada's debt may be in the fourth year following the war, assuming a balanced budget after the demobilization year. This figure, he admits, is an arbitrary one. No one knows how much the war is going to cost Canada and how much we are going to have to borrow

The cost of carrying this debt is the next calculation. Here an average interest rate of 3⅛% is allowed for war and demobilization borrowings, a rate somewhat above the cost of recent loans, but still below the average interest rate on all Dominion debt. Whether or not we will be able to maintain interest rates at this level cannot be foretold, but—with control machinery which did not exist in 1914-18 such as the Bank of Canada—it does not seem impossible.

To this interest cost he adds a figure for pensions and soldier civil re-establishment based on last war experience; also the Canadian National Railways deficit for the last pre-war year. This again may prove too high or too low. While this economist holds it is not inconceivable Canada might solve its railway problem, he dismisses the possibility for purposes of this calculation.

For other civil costs of government, the last pre-war figure is used on the assumption that Canada would go back to that level of social services, law enforcement and the other functions of government.

This required 10.48% of Canada's national income in 1938, based on the Dominion's ordinary and special revenues for the 1938-39 fiscal year, less interest received. This 10.48% is applied to the estimated national income as already explained and from the result, civil government costs of $357 millions is deducted.

The remainder is the measure of the amount by which Canada would have to find new revenues in these years, providing always that there is no change in price levels from pre-war levels. When the ratio of this difference to the total of interest and fixed charges on the new debt is taken, it gives the amount by which post-war prices must be increased if we are to be able to support our new burdens on the same proportion of our national income as prevailed before the war.

Put another way, this ratio indicates that Canada would need to raise prices to 165% of pre-war levels in 1948 if the war ended March 31, 1943, to support our debt burden.

The new level of prices would raise national income proportionately. In other words, where we might have expected a national income of $5,300 millions in 1948 if there had been no change in prices, now with prices raised 65%, national income would be $8,750 millions.

Going back to the former standard and deciding again that 10.48% of the national income is enough for the central government, the Dominion government would have 10.48% of $8,750 millions, or $915 millions. This raising of prices would also increase the cost of government civil services, but not of debt service, by a similar amount. It would make the former $357 millions on which we were going to let the government get along, grow into $588 millions.

Even so the 10.48% of the higher national income would cover the greater costs and we would actually be no worse off than before the war.

Supposing, says this economist, that we did not want to raise prices by 65%, or any other percentage as specified here, but preferred to keep them at the old pre-war levels. Then we would have to devote a larger proportion of our national income to carrying war costs. We could count on the slow growth arising out of increasing population but nothing more.

His final calculation shows that if we were to go back to pre-war prices four years after the war ends in 1943—if it does end then—we would have to devote 12.9% of our national income to the Dominion's needs. If the war lasts till 1949, this proportion would rise to 15.7%, a pretty stiff burden to shoulder permanently after we are through buying war materials themselves.

Provincial and municipal debt has been ignored because of the physical difficulty in working it into these calculations and its omission does not materially affect the value of these calculations and the principles they embody.

These calculations take no notice of how much income taxes and succession duties may influence the net cost to the government of debt. Every dollar paid out in interest is somebody's income and subject to income tax. Every bond bought is potentially subject to succession duties. There is no ready basis for estimating how much of Canada's debt interest paid out by the government comes back to it in taxes.

Then no allowance is made for the influence of the United States or Great Britain on our economic policies. For the latter there is the immediate problem of financing aid-to-Britain, something over which we have little control. There is the very uncertain question of how the sterling balances which our aid-to-Britain programme is building up may be settled.

Then there is the problem of the influence of prices in other countries on prices in this country. All of these are unpredictable.

There is no provision for retiring debt. Here, it is doubtful if it will be materially reduced for some time to come. Certainly not much progress will be made in the first five years after the war ends.

This economist frankly admits his calculations can be criticized. But not, he maintains, in a way which detracts from the importance of carefully planned price controls as a means of enabling us to carry our war costs. Canada must, he says, have a programme and a target in our planning on a nation-wide scale. Principles used here can be adapted to new turns of war costs, to added information about national income and to new concepts of how much we can pay and still live.

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Estimate Massey Sales Up 20%

President Duncan Defends Arrears Plan

Sales of Massey-Harris Co., excluding war work, but including 12 months' sales in South America and New Zealand, compared with only nine months in 1940, are expected to show an improvement of about 20% in the year ending Nov. 30 next, according to a statement sent to shareholders by J. S. Duncan, president. On a comparable 12-months' basis the increase over last year would be about 13%.

Mr. Duncan estimates that, on the basis of present legislation and after allowing for bond interest, depreciation and other charges, including provision for inventories to be valued at 1939 level and generally increased profit taxes, the company's net earnings should exceed $1 million. This would compare with $805,559 for the year ended Nov. 30, 1940.

Forecasts Hazardous

Mr. Duncan states that when the company sent shareholders its proposal for altering capital structure, it was "felt at that time that an estimate of the final results for the current year would be premature." He goes on to state that:

"The international nature of our business is such that although more than 10 months of the current fiscal year are behind us, we are still four to five months away from the usual date at which definite earnings for the year are ascertained. It makes it most difficult to forecast earnings accurately because of the many unknown factors which may affect company's results one way or another. Even though we are dubious of the advisability of making public the forecast of earnings, yet it is felt that, in view of existing circumstances, it is in your interests that an estimate be attempted."

Mr. Duncan goes on to outline the company's reasons for presenting a plan of recapitalization at present.

Pros and Cons of Plan

He states that common shareholders should be aided by the scheme because, at present, no dividend can be paid on their stock until the $21.3 millions deficit is eliminated and arrears on the preferred shares of over $6 millions are paid in cash out of earnings.

"It stands to reason that in this era of high taxation on profits," states Mr. Duncan, "even under very favorable conditions, many years would have to go by before these items could be eliminated, and in the meantime dividends will continue to accumulate on the preferred shares at the rate of $604,495 per annum. It is important, therefore, to the common shareholders that these two substantial items be dealt with in order to pave the way for a return on their investment."

Regarding preferred shareholders, he feels they should also benefit as elimination of the deficit "would make it possible to make an initial dividend payment on the new preferred stock on Dec. 15 this year.

Company's Standpoint

"From the company's standpoint," he states, "it is our opinion that the elimination of the heavy deficit would materially improve its financial standing and favor its position in the industry, which is to the advantage of both classes of shareholders."

He points out that the new plan would avoid "further important accumulations of unpaid dividends" for at least five years. The company could during this period build up its working capital by paying preferred dividends partly or wholly in debentures if directors considered this advisable.

Study Shows Alberta Able to Pay Interest

On the basis of last year's results, Alberta could have paid interest in full on both direct and guaranteed bonds and still had a substantial surplus, according to one authority who has given considerable study to the matter.

The province saves $3.2 millions through paying half interest and reported a surplus on its income account of $4.3 millions for the year ended March 31, 1941. This would have left a surplus on income account of $1.1 millions if bond interest had been paid in full.

Alberta's net capital expenditures last year approximated $2 millions, leaving an overall surplus of $2.3 millions. This would not be sufficient to permit full payment of bond interest without a deficit on this basis, but, this authority points out, such a deficit would be nothing to be ashamed of nor would it be uncommon as last year six other Canadian provinces had deficits on this basis.

Dominion Proposals

Any consideration of Alberta's ability to pay interest, it is pointed out, is incomplete without considering the Dominion's proposal to compensate the provinces for surrendering personal income and corporation taxes as well.

As it now stands, Alberta has been given alternative proposals of either:

(1) An amount equal to its collections of income and corporation taxes in the year ended March 31, 1941, or approximately $4 millions.

(2) The net debt service paid by Alberta in the year ended March 31 last, less the amount of succession duties collected, or about $3.2 millions.

Effect of Full Interest

This would, argue that the best deal for Alberta is the first option but only because the province has been paying half interest on its bonds. If full interest had been paid, the compensation under the second option would be $5.8 millions, or $1.8 millions more than the province would receive under the first option.

There is reason to believe, it is claimed, that the formula would be changed if Alberta were to resume payment of full interest on its bonds or work out a plan for refunding its debt. It is admitted, in fact, that the present formula would be neither fair nor reasonable if Alberta was to follow either of these courses to correct its default.

Ilsley Statement

Mr. Ilsley recognized this condition in the House of Commons on July 12 when he said:

"While I do not propose to change the formula for determining the amount which will be payable to Alberta if it accepts the Dominion's proposal, this does not mean that the door is shut for all time, or that this government will not reconsider the matter if the situation changes. For example, if the Alberta government were to work out some refunding plan with its bond holders, and then ask the Dominion to reconsider the basis on which the annual payment is to be computed, we should be prepared to sit down and discuss the question, or any other reasonable proposal which might be presented."

Mr. Ilsley added that he had heard no suggestion on the part of the Alberta Government that it would be prepared to pay this interest in full.

Could Increase Surplus

But, assuming that Alberta would pay the full $5.8 millions required for complete bond interest and also assuming that fiscal showing in the current year would be as good as last year, even though personal income and corporation taxes were surrendered, the province would have a surplus on income account of $2.9 millions and an overall surplus of nearly $900,000 after paying bondholders in full.

It is thought to be very significant that Alberta has announced its intention to accept the $4 millions available under the first option and that there is no evidence that Alberta representatives sought an amendment to the budget proposal to permit compensation on the debt service option on the basis that any new arrangement that may be made.

This would indicate, it is pointed out, that the Alberta government does not intend to pay interest in full and suggests that a reasonable refunding scheme is not in the immediate offing.

6% Loans to Farmers

The Province of Alberta makes a practice of granting loans to farmers through its treasury branches. For such loans, the province charges the borrowers 6% interest which A. K. Olive, superintendent of treasury branches, states is "based on administrative costs."

Quite contrary to the promise by the Aberhart government of interest-free loans is this fact and the admission that cost of the loans justify the 6% interest.

Annual average operating cost in western Canada by lending institutions, according to a brief submitted to the Rowell-Sirois Commission, in the years from 1919 to 1931, and according to the records of one of the largest mortgage companies, was 1.50%.

Through its debt adjustment board, Alberta tried to establish a basic rate of 5% on mortgages. Mortgagors have been asked to rewrite their mortgage accounts on a 5% simple interest basis back to the inception of the account. Under the Buildings Association Act, passed by the Alberta legislature last year, maximum rate chargeable on mortgages and agreements of sale is 4% although the treasury branch loans require 6%. This 6% rate is claimed in spite of the fact the treasury branches pay very little for their funds, the latest statement showing only a small part of the deposits bearing interest.

One-sided Interest Cut

It is stated, on the other hand, the Alberta Government requires full payment of interest on bonds of the cities of Calgary and Edmonton which it holds, although paying only half interest on Alberta bonds held by these cities. It refused to trade Calgary and Edmonton bonds held for equal amount of Alberta bonds held by these cities to correct the seeming injustice.

A provincial government body, the Alberta Workmen's Compensation Board, early this year sued the Willingdon School District for payment of $10,181 principal amount owing on a bond and for compound interest at 6%. The province also pays only half interest on bonds issued to liquidate bank loans of the Alberta wheat pool which were guaranteed by the province. At the same time it collects full rate of interest from the pool itself.

The conclusion from close observers is that the record of the government gives every reason to doubt the sincerity of its views in regard to interest and interest rates.

Scythes & Co. Shares Listed

Company Makes Waste, Oiled Clothing, and Acts As Jobber

Preference and common shares of Scythes & Co. have been listed on the Toronto Stock Exchange. As at June 30 this year, the company's capitalization showed no funded debt and 12,000 preference shares of $25 par, and 25,000 no par value common shares outstanding.

The preference shares pay a 7% annual dividend. Arrears accumulated during the depression years were paid off in 1937 and regular payments have been made since. On the common shares $1 a share was paid for 1940 and 1941, and 50 cents a share for the three preceding years.

The company manufactures waste, oiled clothing and canvas goods and is a jobber of cotton duck, cordage, twine and oakum. Its principal properties and plants are in Toronto and Montreal.

The company's preference stock is held by 83 shareholders and its common stock by 59 shareholders.

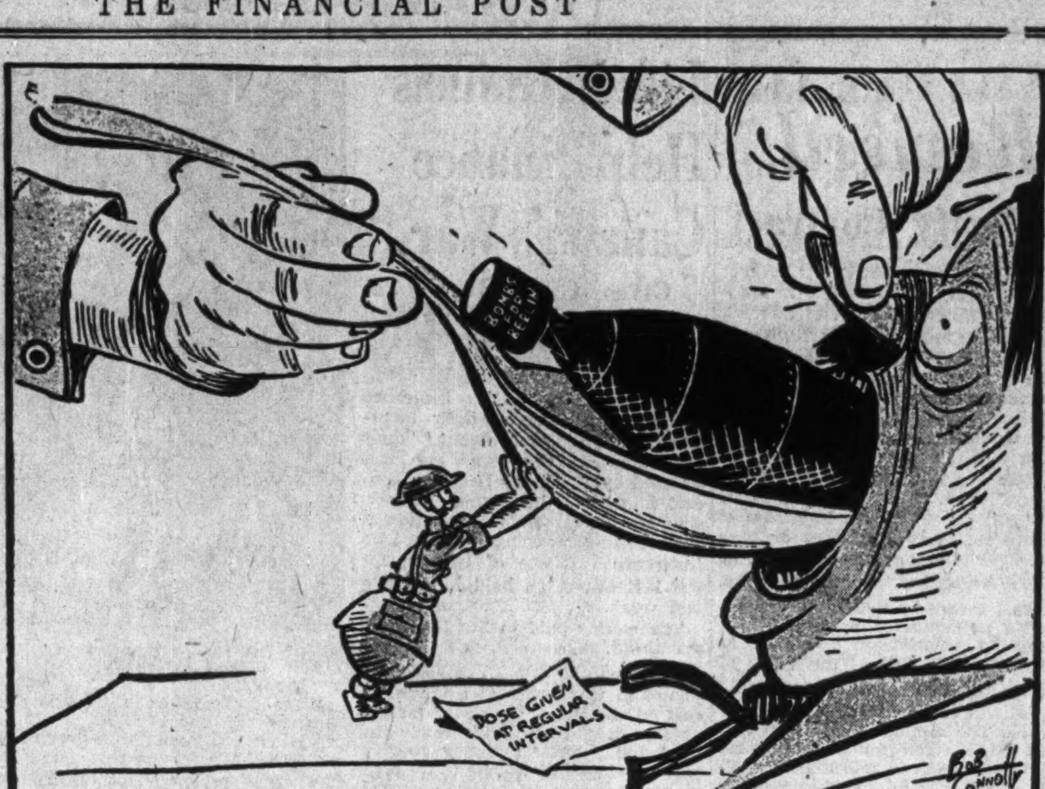
Profit Doubled Last Year

Net operating profit for the year ended Nov. 30, 1940, at $236,283 was more than double that of the preceding year. Net profit, after provision for taxes and depreciation last year amounted to $86,726, compared with $80,258 for 1939 and $29,248 for 1938.

Balance sheet at Nov. 30, 1940, showed $884,646 in current assets and $339,629 in current liabilities. Among current liabilities was a bank of $125,000.

Officers and directors are:

J. A. SCYTHES, president, Toronto.
R. L. SCYTHES, vice-pres., Montreal.
H. A. STEPHENS, sec.-treas., Toronto.
CHARLES BAUCKHAM, H. W. MACMAHON, E. C. SCYTHES, WM. ZIMMERMAN, K.C., all of Toronto.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How Long Can He Take It? —From The Rand Daily Mail.

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Independence Founders

I am investing money every month in Independence Founders Ltd. Would you please give me a statement on the investment standing of this company and its holdings?

Independence Founders Trust Shares is an investment trust of a semi-fixed character. Capital supplied by the public through purchase of its shares is invested in a list of 30 companies in units. Under certain conditions, substitutions can be made, from a list of other companies or Dominion bonds. A person buying the shares of Independence Founders buys a proportionate interest in each of these 30 companies. Income from dividends paid on these stocks, held by the trustees, after expenses, is distributed to holders of Independence Founders shares. The sponsor of this trust is Independence Founders Ltd. which maintains a market on the shares. Shares may also be liquidated through the trustee into cash by disposing of an equivalent number of the underlying shares held.

A plan of installment payments is carried out through the Prudential Trust Co. These payments are made direct to the trustee who invests the proceeds in trust shares but the trust company itself in no way guarantees these shares.

The stocks purchased for the portfolio of Independence Founders are all leaders in their fields. Certain features inherent in such plans, such as a certain lack of flexibility, a somewhat restricted market and relatively heavy loading charges may detract from the desirability for investors who need liquidity and are able to provide management themselves.

Niagara Wire Weaving

Can you explain why Niagara Wire Weaving stock sells at such a low figure? I understand the company gets much of its trade from the pulp and paper industry, and would expect this to boost its earnings currently.

Niagara Wire Weaving Co. makes wire mesh cloth, wire weaving machinery and similar products. Its principal product is the fine mesh endless wire screens which are an essential part of the Fourdrinier Paper Making Machine. Thus company activities are closely allied to the Canadian newsprint industry. In the year ended March 31, 1941, earnings per share were $2 on the common compared with $2.19 in the previous year. Dividends of $2 a share are being paid annually. For the current year, the company's scale of operations should be well maintained in line with activity in the newsprint industry. There is apparently a possibility already existing that the company's raw materials in the form of brass and phosphor bronze rod, which has to be imported from the United States, may become increasingly difficult to obtain.

In considering the position of this company's shares, it should be remembered that the stock is closely held and quite inactive on the stock market. Moreover, it must be remembered that the stock markets generally have not been giving a satisfactory performance for many months and that Niagara Wire Weaving stock would suffer at least as much as other shares. Probably the fact that the company barely earned its $2 a share dividend suggests to some that, with continually rising tax burdens and probable trouble in obtaining materials and higher costs, the company may be forced to make some adjustment in prevailing rate.

North Star Oil

Will you kindly give us whatever information is available concerning North Star Oil, common and preferred? We are contemplating purchase of some shares.

North Star Oil, Ltd., operates a refinery and distributes gasoline and petroleum products in the prairie provinces and northwestern Ontario. The refinery at Winnipeg has a capacity of about 1,600 barrels per day, increased from 1,100 barrels in 1940 by the installation of a cracking unit. Earnings over the past few years have shown only a moderate margin over the 35 cents a share dividend paid on the preferred stock. For 1940, the company earned 47 cents a share, and for 1939, 39 cents a share. Arrears of 35 cents a share on this preferred, entitle preferred shareholders to equal voting rights with the common stock. No dividends have ever been paid on the common to date.

At the end of 1940, the company had just under $1 million of funded debt of a subsidiary outstanding. Working capital at the end of 1940 showed an excess of current liabilities over current assets amounting to $107,679. Under present conditions of uncertainty regarding the position of the oil industry in Canada, it is difficult to decide what the outlook may be for a company such as this. It can probably be accepted that government control and efforts to restrict civilian consumption of petroleum products will not help its sales volume nor earnings. For this year, the impact may not be great, as in the first half of the year gasoline sales in the prairie provinces were far ahead of a year ago. On the other hand, it should be pointed out, oil companies find prosperity in peacetime, and this probably would not be injured by the end of the war. This company is one of the smaller units in the oil business, although apparently well established in its field.

SAVINGS
SAVE TO WIN
To meet the demands of war we must divert expenditure from unnecessary things and *save.* Open a Savings Account with us, and put your savings on a systematic basis. Save according to plan and have the money ready when the government calls for it. This Corporation has been doing business in Canada since 1855.
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THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED
5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1940), $12,147,569
Capital (Fully Paid), $2,000,000
Reserve Fund, $2,400,000

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Municipal Bonds
Public Utility and Industrial Financing
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YOU AND YOUR EMPLOYEES ARE URGED TO SUPPORT THE WAR WEAPONS DRIVE IN YOUR COMMUNITY
Every dollar saved keeps somebody busy
Every town and city in Canada is conducting a drive this fall to buy War Weapons through increased purchases of War Savings Certificates.
Make it easy for your employees to put all they can behind the drive in your community.
Every dollar saved is job insurance, now, and after the war.
Give your workers leadership. Keep them reminded of Canada's need for more planes, ships, tanks, guns and shells.
Those pledged at present should raise their pledges. Those who are not should sign up at once.
It is the duty of every Canadian to fight or help finance the fight.
URGE YOUR EMPLOYEES TO BUY MORE WAR SAVINGS CERTIFICATES

Fire & Casualty Insurance

P. P. Floater Rules Revised

New Regulations Inland Underwriters Clarify Contract

Clear cut policy rules and forms for the personal property floater insurance policy have been issued by the Canadian Inland Marine Underwriters' Association.

These rules clarify and define the coverages given by the policy. These in the main are much the same as they were previously, but their legal significance is more clearly established. The new regulations also establish rates and set a minimum premium for which policies may be written. This minimum is somewhat above that used by many underwriters previously.

A Comprehensive Policy

The Personal Property Floater is a comprehensive policy giving protection on personal property against loss by fire, burglary, weather, earthquake—in fact against all risks of loss or damage. It was developed to meet the demand of the public for a blanket policy which would cover personal property against a number of hazards where formerly a number of policies were required. The blanket coverage has been available at a rate which compared favorably with the aggregate rates charged for different policies giving the same protection under different contracts. Accordingly it has proved popular with the public.

In addition to the protection against various risks, the policy is also featured by the protection it gives even if the property insured is not continuously in one place. Thus property insured under a policy of this kind is considered covered whether it be at the main residence of the policyholder, a summer cottage or in a hotel or railway train.

The words used in the contract form defining the coverage are "on personal property belonging to and used or worn by the insured and member of his, her or their family of the same household, while in all situations, except as hereinafter provided."

Damage to House

The policy does not cover damage to premises by fire. But it does cover damage to premises due to physical violence caused by theft or attempted theft. Thus if a burglar smashes a window or breaks a door or damages the woodwork of a house, the insurance policy would protect the owner against loss.

In certain classes of property, the rules require a schedule of each article insured with the value of it to be stated. This applies to personal jewellery, watches, furs, pieces of fine art, etc.

Other classes of property not required to be scheduled are valued under general headings such as silverware, linens, rugs, furniture etc.

While there are a number of articles excluded from protection by the policy, the general range of coverage is wide. All the way from diamond rings to kitchen utensils. It is provided, however, that before any loss is paid, it must amount to over $15, unless the article has been specifically mentioned in the schedule of insured items.

An instance of the type of protection given would be that if your wife went into a washroom of a hotel or Pullman and leaves her ring on the wash basin and never sees it again, she is covered against loss if you have the personal property floater.

Other Cases Covered

If your house is broken into and the silverware taken or if your son's bicycle is stolen from the side-drive, it, too, is insured. If smoke and fire damage the pictures on the walls or the drapes in the house you will be indemnified. Your own clothing, your wife's furs, your son's skates are all covered. As far as household furniture is concerned the personal property floater protects against loss by fire, the same as a fire insurance policy does with the advantage it also gives protection against theft, and damage from burglars etc.

It does not, however, protect such things as automobiles, automobile trailers, motorcycles, aircraft, automobile robes, animals, birds, etc.

Nor does it cover merchandise for sale or commercial property used in connection with the sale of merchandise.

It would insure eyeglasses against theft or breakage in, say, an automobile accident. But it would not insure them against breakage if dropped on the floor. Nor does it insure furniture or drapes or rugs etc. against damage from moths, or weather or extremes of temperature.

Must Insure up to 80% of Value

The policyholder is required to keep an amount of insurance at least equal to 80% of the value of all unscheduled property.

Policies can be written for three years. The minimum premium that can be charged for a three year coverage is $35. A minimum premium of $20 is required when policies are written for a period of one year or less.

Protection given by the policy covers not only the householder but all members of his household, including children, servants and guests. It does not cover property of house guests or boarders.

When a loss occurs the insurance company according to the regulations shall not be liable for more than the actual cash value of the property at the time loss or damage occurs, with proper allowance for depreciation. Indemnity it is stated shall in no way exceed what it would then cost to repair or replace it with material of like kind and quality.

The regulations also provide that the insurance company shall not be liable for damage due to war or government action.

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Organized in 1896

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Surplus 1,513,855.65
Dominion Gov't Deposit 1,041,353.86

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2,000 Agents Across Canada

FIRE INSURANCE WITH *Dividends* YEAR AFTER YEAR

Under the Northwestern Mutual plan, dividends paid policyholders in 1940 totalled $1,463,569. Since organization over $27,900,000 has been returned to policyholders.

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Expect Big Audience At Life Agency Meet

Some 600 delegates and their wives are expected at the 20th annual meeting of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau in Toronto next week. The dates of the meeting are Nov. 3 to 5.

Although the two organizations are representative of life insurance companies in both Canada and the United States, about 150 companies in all, this is the first time the joint meeting has been held this side of the border. The decision to hold it here was intended by the American member companies as a gesture of goodwill

Lieut.-Col. George A. Drew will be the guest speaker at the annual banquet on Tuesday evening, Nov. 4. He will tell the guests about his recent visit to Great Britain.

Other social events will be a buffet luncheon for delegates and their wives at noon, on Monday, and an informal reception Monday evening at 6.30.

Speaker on the programme and their subjects are:

Monday

C. D. DEVLIN, assistant general manager, Confederation Life, Welcome to Delegates.

W. S. PENNY, director of agencies, Sun Life, The Bureau in Action.

H. G. KENAGY, superintendent of agencies, Mutual Benefit Life Insurance Co., Two Decades.

J. H. HOLCOMBE, JR., manager Research Bureau, It's an Ill Wind.

JOHN A. STEVENSON, president Penn Mutual, Taking Our Bearings.

Tuesday

VINCENT B. COFFIN, vice-president and superintendent of agencies, Connecticut Mutual, Training the Trainer.

JOHN H. EVANS, vice-president Ohio National, 1941 Versus 1921.

W. P. WORTHINGTON, vice-president and superintendent of agencies, Home of New York, Improving Business Management

J. HARRY WOOD, 2nd vice-president, John Hancock Life Ins. Co., Improving Sales Management.

L. W. S. CHAPMAN and WARD PHELPS, consultants, Research Bureau, and B. N. WOODSON, director of service, Research Bureau, Morale and Motivation.

W. C. LAIRD, superintendent of agencies, London Life, Developing Present Men.

M. A. LINTON, an informal discussion on Pensions.

Wednesday

F. H. HAVILAND, vice-president, Connecticut General, The Value of an Agent.

A. N. MITCHELL, president, Canada Life, This War from a Life Insurance Viewpoint.

J. A. WITHERSPOON, president, National Association of Life Underwriters, Your Agency Force.

PAUL SPEICHER, president and managing editor, Insurance Research and Review Service, The Present Tense of Management.

A. H. MOTLEY, vice-president Crowell-Collier Publishing Co., Selling and the Democratic Way of Life.

Members of the Canadian Officers General Committee are:

C. D. DEVLIN, assistant general manager, Confederation Life Association, chairman.

Members of Committee

R. LEIGHTON FOSTER, general counsel, Canadian Life Insurance Officers Association.

S. C. McEVENUE, general Manager, Canada Life Assurance Co.

J. G. PARKER, joint general manager, Imperial Life Assurance Co.

W. A. HAND, registrar of agencies, Confederation Life Association, secretary.

Chairmen of other committees are:

R. G. McDONALD, Canada Life, Entertainment Committee.

W. A. HAND, registrar agency department, Confederation Life, Working Committee.

W. CARLISLE, superintendent of agencies, Mutual of Canada, and W. S. PENNY, director of agencies, Sun Life, Reception Committee.

R. LEIGHTON FOSTER, general counsel, Canadian Life Insurance Officers Association, Ladies Committee.

War Weapons Campaign Response Said Satisfactory

Canada's War Weapons Campaign, comprising a coast-to-coast drive for increased purchase of war savings certificates and renewal of pledges, is meeting with satisfactory response, although drive workers are frank to admit that day-to-day figures on progress are little more than guesses. While in most places the campaign is planned for a four- to six-week period, it is estimated it will take nearly two months after the close to find out exactly what percentage of success was attained.

It is pointed out that in the matter of payroll deductions, employers have been asked to wait until a complete certificate is bought before reporting to the government. Thus there are hundreds of small manufacturers whose employees have authorized, say, a 50-cent per week deduction, which will not be heard from for a month or so. Bank deductions are also slow in coming through.

In general, object of the fall campaign is to "fill out" the gap in war revenue by increased revenue from certificates. When Hon. J. L. Ilsley, finance minister, in Toronto recently spoke of increasing the per capita subscription in Canada from 50 cents to $1 per month, his remarks were rather widely misinterpreted by the daily press. Mr. Ilsley had no idea of setting the individual pledge at $1 per month as was sometimes reported. Most subscribers, of course, must invest many dollars a month to reach a $1 per capita figure, as since babies and children and many grown ups are not represented in the subscription list.

Rather than deal with dollars and cents the drive officials have converted the amounts needed into terms of actual weapons, for a better understanding on the part of the general public.

Mutual Life's Business Passes $600 Millions

At the end of September the business in force with the Mutual Life Assurance Co. of Canada exceeded $600.1 millions, the company's sales force having reached their objective for the year in the first nine months. This objective was $600 millions in force representing an increase of $15 millions over last year. It is expected the last three months of the year will add materially to the total.

W. H. Somerville, general manager, comparing the experience of the present war with that of the last, stated that there was a slight reduction in new business in 1915 with a gradual recovery in 1916, and a sharp increase in 1917. In this war there has been no reduction since 1939, and indications are that the upward movement is beginning to accelerate rapidly.

Bell Telephone Co. Issues More Stock

Bell Telephone Co. of Canada advises the Montreal Stock Exchange that 863 shares of the company's capital stock have been issued in connection with the employees' stock plan, making the number of shares outstanding 831,149.

Life Premiums Help Finance Canada's War

Gives Gov't Money at Little Cost Says D'Arcy Leonard

Desirability of life insurance policyholders keeping their insurance in force and meeting their premiums as they came due was stressed by T. D'Arcy Leonard, general counsel of the Dominion Mortgage and Investments Association at the opening meeting of the Life Insurance Institute of Canada for the 1941-42 session held in Toronto last week.

The money paid in life insurance premiums, he stated, was in the main being invested by the life companies in war bonds at a minimum cost to the government. If policyholders dropped their insurance and used the premium money to buy war savings certificates, it only meant the government was getting the money in a more costly way, while the policyholder sacrificed his insurance.

President's Address

Newton J. Lander, president of the Institute, in his presidential address, stated that 57 diplomas, giving the degree of Fellow of the Life Insurance Institute of Canada, have been awarded for the 1940-41 session. This compared with 37 in 1939-40, and 25 in 1938-39, when it was decided to award the degree to those who completed the examinations of the general proficiency and advanced courses.

Memberships of 110 members of the institute, now an active service with the armed forces, he stated, were being maintained.

He urged older members to retain their memberships in the Institute, which, he explained, provided facilities for studying changing conditions due to war, and community and national problems affecting life insurance.

Coming Meetings

Other meetings of the Institute this session and speakers and subjects will be:

Nov. 20, E. W. Baker, of the claims department of the Canada Life, "Effective and Economical Settlements."

Feb. 19, the motion picture "Yours Truly, Ed. Graham" introduced by A. Gordon Nairn, field supervisor Life Underwriters' Association of Canada.

March 26, A. Kinch, agency superintendent, Manufacturers Life, "Dealing with Agency Problems of Today."

The annual meeting will be held in June.

Officers for the 1941-42 session are:

NEWTON J. LANDER, managing director, Continental Life Insurance Co., Toronto, president.

G. W. BOURKE, actuary, Sun Life Assurance Co., Montreal, first vice-president.

V. R. SMITH, general manager, Confederation Life Association, Toronto, second vice-president.

T. M. SARGANT, North American Life, secretary and treasurer.

B. C. Not Hit By Jap Events

Tension in Orient Finds Eastern Trade Virtually Non-existent

From Our Own Correspondent

VANCOUVER.—Growing tension in the Far East as a result of Tokio's cabinet changes and strengthening of the Japanese alliance with the Berlin-Rome Axis has not affected the calm of business on Canada's Pacific coast, already immune to shock as a result of the long series of deteriorating factors affecting trade with the Orient.

Before the war broke out, Japan and China were regarded as among British Columbia's most important and profitable trade outlets. Today that trade, once reckoned in many millions of dollars annually, is virtually non-existent.

The Sino-Japanese war was the first major development to halt the flow of business across the Pacific. The strain on Japanese finances became so great that the island empire was forced to curtail pulp imports as long ago as 1938 and to reorganize its whole credit setup in dealing with countries on this continent.

Jap Trade Organization

Another significant step was taken by Japan in 1939 when it discontinued the practise of buying lumber directly from British Columbia exporters. A new plan was evolved resulting in the organization of Japanese trading organizations in Vancouver, Seattle and other important coast centres. All business had to be routed through them.

As the Sino-Japanese war dragged on and Japan's costs mounted emphasis shifted more and more to the so-called "war essentials" such as copper, nickel and other metals; but before many months of 1939 had passed Canada imposed its own restrictions on the export of materials likely to be converted into munitions. In the summer of 1940 the ban on copper was applied. A few months ago export of hemlock logs to Japan was halted, and more recently Douglas fir was similarly restricted. Some business was done in wheat and flour this year, but it was destined to North China or Russia, not to Japan.

British Columbia has not suffered from this blockade because other markets have absorbed all the materials previously shipped to the Far East and have created a demand far in excess of peacetime requirements of that realm.

British Columbia's metals are now going into the defense industries of the United States and the Empire. The United States and the domestic market are buying all the province's pulp and paper output. The Canadian, American and British markets are taking all the lumber that can be produced.

Trade in wheat is at a standstill and while this used to be an important factor in coast business it involved chiefly grain produced in other provinces and did not affect any British Columbia industry.

NEW MANAGER

Class A Weeklies of Canada announces the appointment of E. C. Hipgrave as national advertising manager. For the past 12 years he has been employed by the Baker Advertising Agency.

Insurance Notes

S. B. Pelton has been appointed manager of the Windsor branch of the Canada Life Assurance Co. Mr. Pelton joined the Canada Life as a representative in the Central Toronto branch in 1935 and was appointed unit manager two years later.

Since 1940 he has been attached to head office engaged in special sales training work in both Canada and the United States.

* * *

D. R. Ferguson has been appointed manager of the Montreal No. 1 branch of the Great West Life Assurance Co. He was formerly Hamilton manager for the Great West and succeeds C. F. Holmes. Last year Mr. Ferguson was in charge of the organization of the Dominion government's war savings employer-employee plan for the three prairie provinces. He is succeeded at Hamilton by J. Hiles Templin.

G. F. Hagelstein, formerly district organizer for the Fraser River Valley, has been appointed manager at Edmonton succeeding J. House who has joined the R. C. A. F.

WALKERVILLE BREWERY

Walkerville Brewery Ltd. has declared a dividend of 5 cents a share on its common stock, payable Nov. 25, 1941, to shareholders of record Nov. 15. The last previous dividend on this stock was paid Nov. 25, last year, and was the same amount.

Expect to Include More in Jobless Insurance

From Our Own Correspondent

OTTAWA.—It is expected that the Unemployment Insurance Commission may shortly request Parliament to permit the statutory insurable limit to be raised from $2,000 to $2,400.

The matter has been under consideration now by the commission for some weeks, The Financial Post is informed. It has now been referred to the commission's Advisory Committee.

Arguments in favor of permitting wage-earners earning up to the higher bracket, to contribute to the Unemployment Insurance scheme are that the cost-of-living bonuses, the increase in wage rates and increase in working hours, has put out of the fund thousands of skilled and other workers who were plainly intended to be included when the act was originally drawn.

The Trades and Labor Congress recently went on record as advocating that the insurable limit be raised to $3,000.

Latest returns show over 2.7 million workers now insured under the act. Their contributions last month together with employer payments, totalled over $4 millions. This means that the annual insurance fund, including government contribution, is now running at the rate of about $58 millions annually. This is apart from the administration expenses, which are paid by the government and which are estimated to run as high as $5 millions annually once the fund is in full swing together with employment exchanges, etc.

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THE FINANCIAL POST
INSURANCE CONTEST
What Life Insurance Should I Carry?

This is a contest to stimulate discussion as to how the individual can best use life insurance to help him meet his personal, family and business responsibilities under today's difficult conditions.

The Financial Post offers contestants cash prizes for articles dealing with specific insurance problems. They will be judged for the soundness of the programme for the individual. Consideration will also be given to their general interest and value to all persons falling within the broad general group discussed.

WHO may compete?

ANYONE except employees of The MacLean Publishing Co. Ltd., or The Financial Post.

HOW to enter?

Choose one of the 4 problems below and submit a life insurance programme for that individual.

$100 IN CASH
for the best article on any one of four problems

$50 EACH for the best articles on the other three problems

AN ADDED INDUCEMENT

It is The Post's intention to run a number of articles entered in this contest, as a service to both life underwriters and to the insurance-buying public. In addition to the prize-winning articles, others will be used, for which regular space rates will be paid.

ANSWER ANY ONE OF THESE FOUR PROBLEMS

1 The young unmarried business man in his 20's with a total income between $1,500 and $2,000 a year and with excellent prospects. Ambitious, conscientious, healthy. Is saving some money but has no capital and no prospects of inheriting any. Must make his own way in the world.

2 Junior executive, total income $3,000 to $5,000 a year, 30 to 35 years of age. Has saved and invested $2,000 to $5,000. Married, has two children both under 10. No inheritance prospects.

3 A man who owns his own business, or is senior executive in a business in which he has a substantial stock interest. Total income between $10,000 and $25,000. Age 40 to 50. Investment in his own business $50,000 to $100,000. Has other investments of $10,000 to $25,000. Married; has two children, both in their teens.

4 A single business woman, age around 30, now making $100 a month, with prospects of some increases. Has $700-$1,000 saved. Helps maintain widowed mother. Dependent on her own efforts. Her main object is to build up resources on which she can retire.

If you think you can suggest the best programme for the individual visualized in any one of the problems above; and can give convincing arguments for your proposal,

START TODAY ON PREPARING AN ARTICLE!

Your Programme May Win $100

Address:
INSURANCE CONTEST EDITOR
THE FINANCIAL POST
481 University Ave.
Toronto, Ont.

RULES OF CONTEST

1. Prizes will be awarded as follows: $100 for the best article, on any one of the four problems; $50 each for the best articles on the other three problems. In addition The Financial Post proposes to publish a number of the articles that do not win prizes. These will be paid for at regular space rates or approximately $25 a piece. The number published will depend on the quality of the entries.

2. Answers must be in the form of articles of not more than 2,000 words suitable for publication in The Financial Post.

3. Answers will be judged not only on the soundness of the programme outlined and the presentation of the arguments in favor of it but for the general interest of the material presented.

4. The manuscript must be typewritten on one side of the paper only, double space.

5. Contestant's name and address and particulars as to business connections, degrees, etc., must be typed on a separate sheet attached to the manuscript.

6. The contest is open to anyone who is not an employee of The Financial Post or The MacLean Publishing Co. Ltd., whether a subscriber to The Financial Post or not.

7. Any contestant who wishes may submit more than one manuscript provided each paper deals with a different one of the groupings.

8. Manuscripts must be submitted to the Insurance Contest Editor of The Financial Post, 481 University Avenue, Toronto, Ontario, on or before November 22, 1941.

9. Any manuscript submitted will become the property of The Financial Post and may be published by it. No manuscript will be returned. Those published will appear under the name of the author.

10. Judges of the contest will be the editors of The Financial Post assisted by such outside authorities as they may wish to consult.

11. In case of a dispute or misunderstanding the decision of the editor of The Financial Post will be final.

12. The Financial Post assumes no responsibility for the suggestions made.

13. Contestants must not mention the name of any company or any special policies sold by only a limited number of companies but should confine their suggestions to the standard types of policies sold by most companies.

CONTEST CLOSES NOV. 22, 1941

Banking

Bank Labor Union Progress Said Slow

Efforts to unionize the staffs of the chartered banks do not appear to be causing the bank executives any great concern. They report that while the organizers are attempting to work secretly the attitude of bank employees generally is found to be one of little or no sympathy with the movement.

Bank officials state the promoters of the union are trying to take advantage of present conditions and that the movement did not originate among the employees of the banks but was introduced by outsiders.

According to information received it appears the promoters of the union require those who join to pay an entrance fee of $1. Dues are stated to be $1 a month or $12 a year. Estimating the number of male bank employees in Canada at 20,000 this would give about $240,000 from annual dues or a total fund of $260,000. If women employees of the bank were taken into the union too it would possibly add another $65,000. This would be about $305,000 funds to finance the dealings of the union with the executives of the 10 chartered banks. It is pointed out that these are funds of a size extremely attractive to the professional labor organizer.

Reason bank employees are reportedly showing so little enthusiasm for the union is mainly in the record of the banks for good working conditions.

In addition to the very high degree of security of tenure are mentioned pension funds to which the banks themselves contribute substantially.

Group insurance, of which the banks pay a large part of the premiums.

Benefits in the form of partial payment of federal and provincial income taxes.

Annual vacations with pay for all employees.

The banks have been noted for sympathetic consideration in case of illness, full salaries often being paid for three to six months when an employee is ill.

Referring to security of employment a bank man who had been in the service of one bank for some 39 years stated that anybody who had come through the last depression knew what it meant to have a permanent job which he could regard as secure, as long as he did his duty.

Another feature in the bank employment picture is that there is no barrier to ability, that promotion is open to every member.

Of the general managers of the 10 chartered banks in Canada, it is stated that every one began as a junior.

Bank of Canada Statement Reflects Bond Maturity

A drop of approximately $95 millions in holdings of short-term securities is shown in the statement of the Bank of Canada for the week ended Oct. 22. This decline was offset by a rise of over $103 millions in the long-term investments of the bank.

The change was largely due to the fact that between Oct: 15 and Oct. 22, a short-term issue of $200 millions 2% notes issued by the Dominion in October 1939 was paid off. The figures indicate that the Bank of Canada held about half the issue. These were replaced in the bank's portfolio with 1½% notes of 1944, which, having more than two years to run, come in the long-term category and accordingly increase the volume of long-term investments.

Holdings of sterling and United States exchange were $5.4 millions higher.

Miscellaneous assets, representing cheques on other banks not cleared etc., were $9 millions lower at $12 millions. The net result was a gain of $4.5 millions in total assets.

On the liability side, deposits of the Dominion Government were lower, while those of the chartered banks were higher.

	Oct. 22 1941 $	Oct. 15 1941 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	445,022,255	444,506,957
Rest fund	3,722,910	3,722,910
Depos.: Wominion	41,254,743	28,613,722
Banks	212,862,034	208,338,040
Other	2,633,792	10,656,146
Total deposits	256,750,569	247,607,908
All other liabs.	9,453,112	14,633,793
Total liabs.	719,948,846	715,471,568
Assets		
In sterling and U. S.	27,835,079	22,495,079
Subsid. coin	554,552	526,257
Advances	1,500,000	1,500,000
Investments:		
Dom. govt. short	446,729,190	541,855,771
Other Dom. govt.	229,463,771	126,200,604
Total invest.	676,192,961	668,056,375
Premises	1,818,062	1,815,543
All other assets	12,048,192	21,078,314
	719,948,846	715,471,568

Weekly Bank Clearings

	Oct. 23 1941 $	Change Year Ago %	Oct. 16 1941 $
Halifax	3,718,146	+16.9	3,018,433
Saint John	2,845,742	+29.3	1,922,157
Moncton	1,406,285	+57.6	861,228
Sherbrooke	1,009,193	+7.1	958,251
Quebec	6,192,763	+14.9	6,347,136
Montreal	138,320,658	+52.1	120,648,138
Ottawa	42,731,096	+4.4	32,043,705
Kingston	894,141	+20.6	686,246
Peterborough	852,967	+33.6	788,204
Toronto	142,312,837	+33.2	126,173,300
Hamilton	7,574,368	+12.1	6,291,771
Kitchener	1,366,091	+15.8	1,171,298
Brantford	1,178,450	+32.4	1,028,792
London	3,098,341	+16.6	2,497,171
Chatham	675,075	+16.3	564,906
Sarnia	444,922	—10.1	538,569
Sudbury	1,030,999	+1.5	1,099,812
Windsor	3,875,963	+19.0	3,202,406
St. Catharines	1,361,643	...	1,287,125
Fort William	1,323,616	+41.2	916,682
Winnipeg	65,980,853	+27.1	53,594,034
Brandon	547,678	+17.2	417,074
Moose Jaw	1,016,537	+10.5	890,379
Saskatoon	2,003,912	+8.6	1,711,720
Regina	5,957,165	—10.4	5,955,844
Prince Albert	597,592	—6.2	485,476
Edmonton	6,018,917	+24.7	4,940,536
Calgary	8,360,217	+2.3	6,513,591
Lethbridge	740,755	+20.5	582,015
Medicine Hat	504,637	+16.5	408,773
N. W'minster	1,030,407	+34.7	761,990
Vancouver	25,388,063	+36.5	17,738,077
Victoria	2,131,679	+6.4	1,709,062

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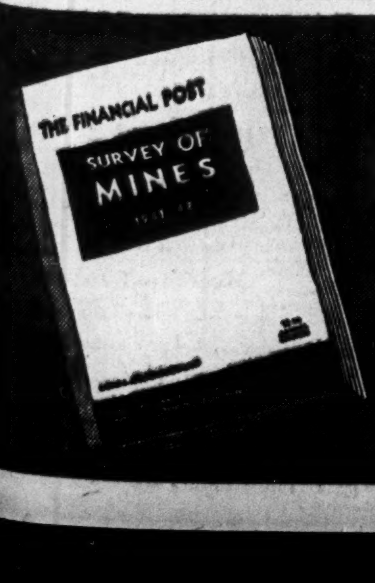
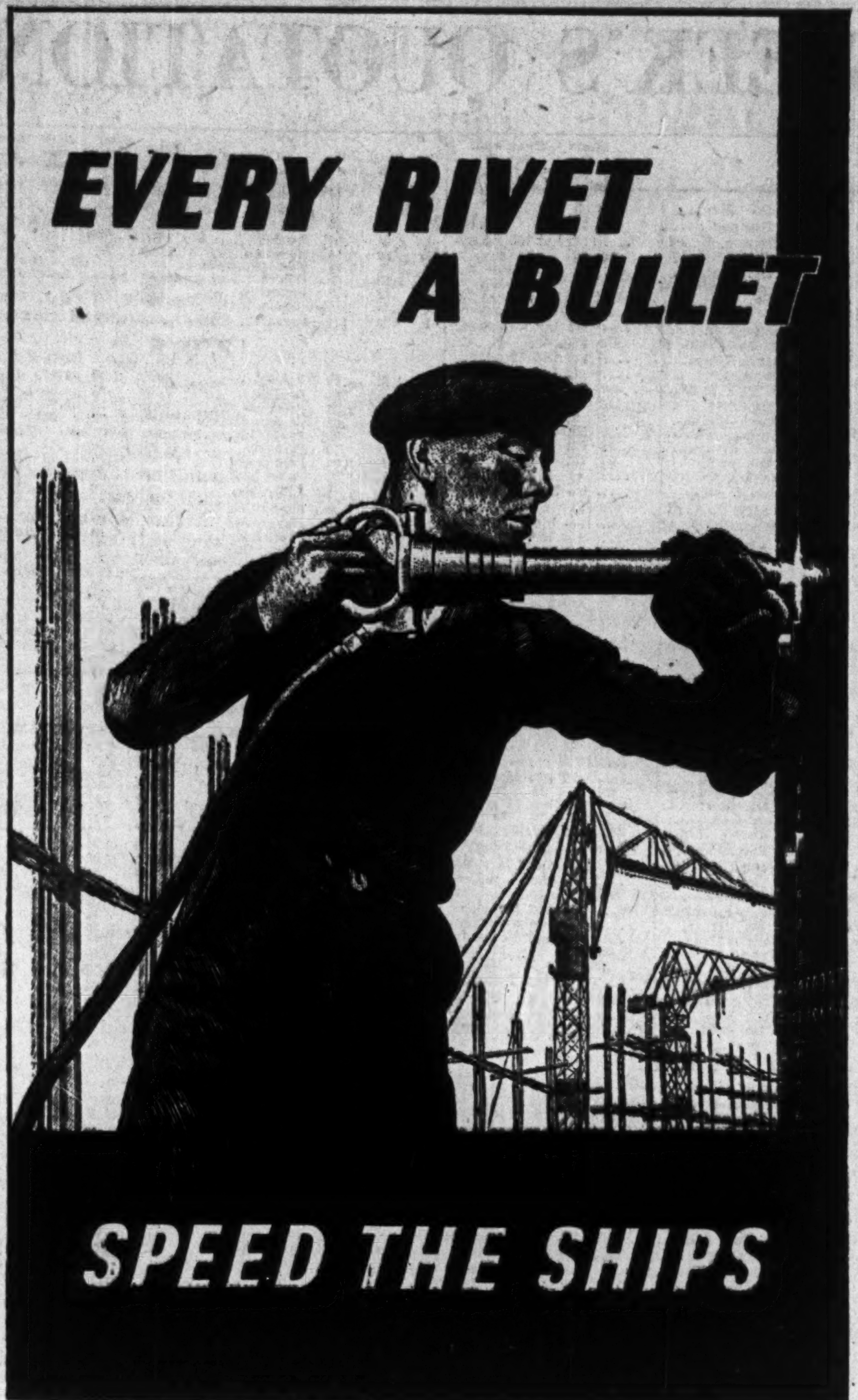
NEW TRUST HEAD

F. G. Donaldson, vice-president and general manager of Montreal Trust Co., has succeeded the late Sir Herbert Holt as president of that company. For a number of years, Mr. Donaldson, born in Montreal, has been active head of the company, and has been associated with the organization for most of his business career. At the end of 1940, the company had $857.3 millions of assets under its administration.



READY
SOON



Here is a striking example of the posters which are offered for distribution by the British government. Several examples of Canadian government posters have been previously reproduced in The Financial Post.

The Mail Box

For a Better Agriculture

Editor, The Financial Post:

This is to offer a few comments from an appreciated reader, who is a great admirer of your strong editorial policy.

Unfortunately at times you appear to be rather unsympathetic with the problems of agriculture, or is it that your writers are too far removed from any close contact with farming.

It would seem that every effort should be made to lift agriculture out of its long period of depression, otherwise eventually a peasant class will be developed on our farms such as is the case in Europe.

A healthy prosperous agricultural population should be our aim, as such people are a great national asset with their conservative outlook especially at times when stability is required to counteract periods of radical movements.

L. F. Solly.
Lakeview Farm, Westholme, B.C.

Profits or Guns?

Editor, The Financial Post:

Mr. and Mrs. John Doe live in Vancouver, B.C., have all their meals at home, these cost in August, 1940, 72 cents per day, that is 12 cents per meal each, today similar meals cost them 90 cents per day, an increase of 25%; during this period the Doe couple have consumed the following foods and show the increase in price of same:—meats 15—50%; fish 15%; butter 55%; eggs 65%; soups 25%; bread 15%; lard 20%; sugar 45%, the latter Mr. Doe has no complaint as he realizes the government gets 40% of this increase; it is now costing Mr. & Mrs. Doe $5.50 per month extra for food only. Mr. Doe thinks his employer may increase his wages to about $12.00 per month to cover the increased cost of food, clothing and other things, this increase in pay, he would be quite willing to forego if he were quite satisfied that it would go to purchase guns to beat Hitler.

What worries Mr. and Mrs. Doe is, what has become of the extra profits made on food paid by them and others since the start of the war, these profits must have reached a total of $500 millions, gotten from the people of Canada, at the same time he is satisfied these profits have not gone to the producer nor the workers who have helped to produce these foods, the amount the government gets out of the sugar is all that he can account for.

What has become of this $500 millions? Will Mr. Hector McKinnon, Chairman of the Price Board explain?

Mr. Doe thinks he must be dumb, as he cannot understand how the new experiment by Mr. Mackenzie King which has never been tried out, is going to curtail the food profits, which can only be prevented by reducing the prices charged at present, if the Price Control Board had protected the ever increasing prices of food months ago, as they controlled the prices of iron, all the unrest, strikes, and cost-of-living bonus would never have been heard of, and Mr. Doe thinks the procedure the Liberal Government is adopting will eventually bring Canada to financial chaos.

Charles Brennan.
Vancouver.

Religion in Russia

Editor, The Financial Post:

There is a good deal said nowadays for and against aid to Russia. Those against it take the issue that Russia is an Anti-God form of government.

In the writer's travels abroad, I found not all of Russia had deserted the Christian religion, and anybody living in Russia has the privilege of going to a house of worship, providing the man in the pulpit does not use the church for propaganda against the form of government of that country.

The writer talked to a leading Russian and raised the question why the Russian public officials or courts do not use the name of God in their oaths, etc. He asked me to accompany him to the public library, where he referred me to history where Christian against Christian had warred against each other and had killed more than was killed in Russia at the time of the revolution there in the overthrow of the Tsar's form of government, which was built on Christianity. He quoted the Tsar's form of government as allowing the poor people of Russia to starve, while the rich had more than their share, and were spending half of their time or more in the capitals of Europe, and that Russian resources, if properly developed, would feed double the population of Russia.

P. H. GEOGHEGAN.
Los Angeles, California.

Public Utility Earnings

National Light & Power
Eight Months Ended Aug. 31

	1941 $	1940 $
Oper. & misc. earns.	459,194	412,760
Less: Exps. & deprec.	274,242	245,963
Net earnings	183,952	166,797
Less: Bond interest	92,392	93,704
Balance	91,560	73,093
Kw.hr. output	26,024,287	21,769,894

Lower St. Lawrence
Eight Months Ended Aug. 31

	1941 $	1940 $
Operating income	252,877	236,629
Less: Exps. & deprec.	175,625	162,859
Net earnings	77,252	73,770
Less: Bond interest	46,657	47,273
Balance	30,595	26,497

B. C. Power Corp.
September

	1941 $	1940 $
Gross earnings	1,553,713	1,406,316
Expenses	1,201,802	1,049,150
Int. & pfd. divds.	186,665	187,665
Balance for A stock	165,246	169,501
Nine Months Ended Sept. 30		
Gross earnings	13,625,523	12,366,470
Expenses	10,354,048	9,053,157
Int. & pfd. divds.	1,681,990	1,690,991
Balance for A stock	1,589,485	1,622,322

Staff Changes

The Canadian Bank of Commerce announces the following staff changes:

D. FITZGERALD, manager, Port Arthur, to be manager, Bridgetown, Barbados.

D. SAPTE, accountant, New York, to be assistant manager, London, Eng.

F. A. MATHESON, an assistant inspector, to be manager, Port Arthur.

The Bank of Nova Scotia announces the following staff changes:

J. G. WICKS, to be acting manager, Havelock, N.B.

R. S. RAMSAY, to be accountant, Chatham, N.B.

Banking Service
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Blueprint For Staggered Hours

Study Shows Most Trams Work Only Three Hours in Day

Application of staggered working hours, to come into effect shortly in Ottawa and Montreal, will stretch existing transit equipment to meet the steadily increasing burden of worker transportation. Later, the plan is to be extended to other centres across Canada.

Working hour regulations will be tailored to fit special conditions in each centre, but will have a common basis in the present pattern of operating conditions in the transit companies. Key factor in the situation is the fact that street cars, technically in operation for about 19 hours of the day, actually only work to capacity for three hours.

Investigations of the Transit Controller show that in Montreal the average week-day passengers carried by Montreal Tramways Co. number 800,000. In Toronto the T. T. C. carries around 600,000 passengers a day.

The statistical returns have been broken down to show that 17% of the daily movement occurs between the hours of 7.30 and 9 a.m. and 16% between 5 and 6.30 p.m.

In other words approximately one third of the total movement of tramway and bus users in Toronto and Montreal occurs in a period of three hours.

In the majority of Canadian cities urban transportation is provided 19 hours out of the 24 hours.

This means that with a third of the traffic handled in three hours much of the equipment is lying idle or only partially used during the other 16 hours of the day.

Peak Load is Problem

The problem of the transit companies is not what to do with the idle equipment, but how to provide sufficient equipment to handle the number of people who want to go to their place of work, or to return home, within the period 7.30 to 9 a.m. and 5 to 6.30 p.m.

By staggering hours the equipment of the transit systems can be more effectively employed. It can also be made to provide service for an even larger number of workers.

Surveys completed by the Transit Controller show that if work hours are staggered so that some people start work earlier and quit earlier, or start work later and quit later, the traffic congestion can be relieved to a very considerable extent.

Thus, if the rush morning period were extended from 7 to 9, the percentage of the total day traffic handled could be increased from 17 to 21.

Likewise, if the hour of stopping work was staggered from 5 to 7 p.m., the percentage of the daily traffic handled could be increased from 16 to 20.

By flattening out the peak period from three to four hours, the urban transit system can increase its percentage of the daily traffic handled from 33% to 41%.

Any thought of a blanket order of staggered hours has long since been abandoned.

Preparation of plans for Ottawa and Montreal have involved considerable technical skill. There is a constant flux of workers from one building to another. A group of workers in one building, for example, would locate their homes near by. But when their place of work is moved several miles, the matter of arranging transportation becomes almost a nightmare to the transit officials.

For example, just recently a large number of workers in one of the new buildings on Wellington St., in Ottawa, were moved to the Central Experimental Farm, a distance of some three or four miles. Transportation facilities to the Farm were never designed to handle the traffic that has suddenly been placed in that particular section. The need of staggered office hours is obvious if these workers are to be moved promptly to and from their place of work.

Montreal, too, has its problems. In this city some 10,000 office workers commute daily by train to their homes on the "lake shore." The hours of these workers cannot be disturbed without changing the time schedules of the railways.

The ADMIRAL BEATTY
[illegible]
SAINT JOHN
[illegible]

IN MONETARY DOCUMENTS
Dignity is not enough
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and
EXPERIENCED
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and Printing of
Bank Notes
Bonds
Debentures
Stock Certificates
Cheques
Drafts
Postage and Revenue Stamps
and other
Monetary Documents
Many processes of printing can produce bonds, stock certificates and similar "symbols of money" that have the dignity essential to them. But dignity is not enough. Dignity must be wed to Safety, and only one process—steel engraving—can tie the knot.
For example, to counterfeit a stock certificate engraved by us it would be necessary to match the exquisite art of the world's finest steel engravers. That would be difficult enough. It would be necessary also to duplicate the safety paper we employ. That would be impossible.
This union of Safety with Dignity is the result of more than 100 years of experience with steel engraving. This experience is at your service.
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HEAD OFFICE and WORKS OTTAWA
BRANCH OFFICES TORONTO MONTREAL

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① The HAPHAZARD WAY by rumor, guesswork, and hasty judgment
② The AUDITED WAY by the facts presented in ABC REPORTS
ABC
TIME was when buying advertising space seemed like groping in the dark. With no facts to serve as guide through the mysteries of circulation, you had to rely on rumor and hearsay. You had to pick your papers by guess-work . . . and hope for the best results as far as sales were concerned.
That day is past. Discerning advertisers now buy space with as sound a basis of fact as they buy a ton of coal or a dozen of eggs.
The source of this enlightenment is the A.B.C. report—the complete official, audited report of circulation facts. A.B.C. reports reveal and analyze NET PAID CIRCULATION—how large it is, where it is, how it was secured.
It is your insurance that you will get what you pay for. It protects the buyer and the honest publisher. It is made possible by over 2000 publishers, advertisers and advertising agencies. Together they provide you with this insurance policy. Use it. It costs you nothing. It may save you much.
We will be glad to give you a copy of our latest A.B.C. report, containing the facts by which you can judge the value of this paper.
THE FINANCIAL POST
This paper has long been an A.B.C. member because we believe in selling known value. Canadian publishers helped establish the A.B.C. in 1914.
A.B.C. = Audit Bureau of Circulations = FACTS as a yardstick of advertising value

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING OCTOBER 27

A

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
1.15	.50	.	...	Abitibi	2000	.95	1.05	.90	1.00
9½	4	.	...	Do. pref. 6%.	1785	7½	8½	7¾	7¾
15	8	.	...	Do. pref. 7%.	50	15	13	13	13
3	1	.	...	Acme Glove ...	....	(2 bid — asked)			
60	50	6.50	11.8	Do. pref.	....	(55 bid 60 asked)			
14	11½	80+20c	7½	Agnew Surp. .	....	(13¾ bid — asked)			
108	105	7	6.6	Do. pref.	....	(110 bid — asked)			
1.50	.75	.	...	Alta. Pac. Gr..	9	1.10	1.10	1.10	1.10
33	24½	.	...	Do. pref.	189	30	30½	28	29½
10½	7	.	...	Algoma Steel..	330	9	9½	9	9½
97½	84½	5	5.6	Do. pref.	....	(— bid 89 asked)			
115	95	8+2	9.7	Aluminium ...	1013	95	103	95	103
120	115	6	5.2	Do. pref.	....	(115 bid 116 asked)			
7¾	5½	25c	...	Amal. Electric.	....	(7½ bid 8½ asked)			
37	37	60c	1.6	Amer. Cyn. B..	....	(33 bid 45 asked)			
46½	44	2.75	5.9	Ang. Can. T. p	70	46½	46	46	46
19½	14¾	60+60c	6½	Asbestos	193	18	18	17½	17½
17½	14½	1	6.2	Assoc. Brew...	....	(16¾ bid — asked)			
111	108½	7	6.3	Do. pref.	....	(111 bid — asked)			
•2	2	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
‡24	24	96c	..	Do. pref.	....	(— bid 24 asked)			
§103	101	5.50	5.3	Ault & Wiborg.	....	(102 bid — asked)			

B

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
147	140	8	5.6	Bk. Can. Nat..	....	(143 bid 145 asked)			
195	171	8	4.3	Bk. Montreal ..	166	186	188	185	188
285	268	12	4.4	Bk. N. Scotia..	12	272	272	269	269
255	240	10	4	Bk. Toronto ..	12	247½	247½	247½	247½
8½	8½	.	...	Barber Ellis ..	....	(8½ bid — asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.35	.	...	Barker's Bread.	....	(.35 bid — asked)			
22	16	.	...	Do. pref.	....	(— bid 16½ asked)			
14	10	1+25c	9	Bathurst Pr. ..	350	13½	13¾	13½	13½
3	1	.	...	Do. (B)	55	2½	2½	2¾	2½
4	2	.	...	Beath & Sons..	....	(4 bid 5 asked)			
8	4½	.	...	Beatty Bros. ...	25	7½	8	8	8
102¾	92	6	6.5	Do. pref.	....	(99 bid 101 asked)			
90	88	7	7.8	Do. 2nd pref..	....	(83 bid — asked)			
11	6½	.	...	Beauharnois ...	592	9¾	9¾	9	9¾
80	80	4	5	Belding Cort. ..	....	(80 bid 86 asked)			
128	124	7	5.6	Do. pref.	....	(125 bid — asked)			
160½	137	8	5.3	Bell Telephone	733	150½	151½	149	150
6½	5	30c	5	Bertram & Sons	....	(6 bid 6½ asked)			
8¾	7	60c	8	Biltmore Hats .	20	7½	7½	7½	7½
6	5	.	...	Blue Ribbon ...	....	(1 bid 3¾ asked)			
37½	30	2.50	7.8	Do. pref.	22	31	32	32	32
10	9½	60c	6.3	Blue Top Br. A	....	(9 bid 11 asked)			
7	7	.	...	Do. (B)	....	(8 bid — asked)			
22	19	1.30	6.5	Brant. Cord. pf.	....	(20½ bid 21½ asked)			
8½	5	40c	...	Brazilian Tr. ..	2958	7½	8	7½	7½
5½	2¾	50+10c	..	Brew. & Distil..	300	4¾	5	5	5
6½	6½	30c	4.6	Bright, T. G. ..	....	(6½ bid — asked)			
90	90	6	6.7	Do. pref.	....	(91 bid — asked)			
18¾	15	1	5.8	Brit. Amer. Oil	1376	17½	17¾	17½	17½
13	9¾	.	...	B. C. Packers..	22	11½	12	12	12
26½	22	2	8.3	B. C. Power ..	70	23½	24½	24	24
2	1	.	...	Do. (B)	5	2	1¾	1¾	1¾
6½	4½	.	...	Bruck S. Mills.	....	(5 bid — asked)			
15¾	11½	70+10c	6	Building Prod..	715	13½	13¾	13½	13¾
10¾	7¾	60c	7.5	Burlington St'l	75	7½	8	8	8

C

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
§70	70	.	...	Calgary Power.	....	(— bid 70 asked)			
103	98½	6	6.1	Do. pref.	10	101	98½	98½	98½
3½	1½	.	...	Canada Bread..	100	3	3½	3½	3½
104	95	6	5.9	Do. pref.	....	101¾ bid 102½ asked			
46	35	2.50	5.6	Do. pref. B..	....	(45 bid 48 asked)			
5	3¾	40c	8	Canada Bud ..	....	(4¾ bid 5½ asked)			
7	4	.	...	Canada Cement	235	4¾	4¾	4¾	4¾
101½	89¾	5	4.9	Do. pref.	41	100½	100½	100¾	100½
5¾	5¾	‡30c	...	Can. Cr. Stone.	....	(— bd 5 asked)			
106	102¾	5	4.7	Canada Cycle p	....	(105½ bid — asked)			
27	20½	1.50	6.4	C. & D. Sugar.	450	22½	23½	22½	23½
19	15	1.50	8.8	Can. Forg. (A).	....	(16½ bid 18 asked)			
18	15½	‡1.50	..	Do. (B)	....	(16 bid — asked)			
50	35	7.50	...	Can. Iron	....	(39 bid — asked)			
80	70	6	8.2	Do. pref.	....	(74 bid — asked)			
§390	390	20	...	Canada Life ...	....	(— bid — asked)			
39	32	2+50c	6.6	Can. Malting..	80	38	38	38	38
11	5	90c	..	Can. Nor. Pr. ..	165	5½	5¾	5	5
99	84	7	8.2	Do. pref.	• 10	85	85	85	85
92	74	4	4.4	Can. Packers ..	10	92	91	88	88
136	120	8	6.4	Can. Perman...	10	124½	126	125	125
9	8	50c	...	Can. Starch	....	(8 bid — asked)			
108	108	7	6.4	Do. pref.	....	(108 bid — asked)			
7	2½	.	...	Can. Steamsh's.	667	5¾	6½	5½	6½
28½	16	2.50	9	Do. pref.	672	27	28	27	27
8½	6½	40c	5	Can. Vinegars .	100	8	8½	8	8
61	50	4	7.1	Can. W. Cable.	25	57½	56½	56½	56½
23	17½	1.50	7.3	Do. (B)	....	(20¾ bid 22½ asked)			
107	106	6.50	6.1	Do. pref.	10	106	107	107	107
1.00	.50	.	...	Can. Bakeries.	3	1.00	.75	.75	.75
50	20	‡4.50	..	Do. pref.	38	50	50	48	50
163	143	8	5.3	Can. Bk. Com..	63	150	151	149½	149½
1.60	.60	.	...	Can. Breweries	25	1.00	1.35	1.35	1.35
27½	20	3	11.2	Do. pref.	151	26½	27	26¾	27
36	31	1.50+50c	6	Can. Bronze..	....	(32 bid 34 asked)			
106	103	5	4.8	Do. pref.	....	(105 bid — asked)			
7¾	5	50c	8	Can. Canners..	170	6¾	6½	6½	6½
23	18	1+20c■	5½	Do. 1st pfd..	170	21½	23	21½	21½
10¾	8	60+20c■	8	Do. 2nd pfd.	215	10½	10½	9¾	10½
10½	4¾	.	...	Can. Car & F'y	565	6	6½	6	6
27½	19	‡1.32	..	Do. pref.	195	22	23	22	23
29	18¾	1+50c	5.7	Can. Celanese.	140	26½	27	26½	26½
126	110	7+60c■	..	Do. pref.	40	124	124	124	124
23¾	21	1	4.2	Do. Rights ..	1000	23	23¾	23¾	23¾
19	15	2	11.6	Can. Convert...	25	17½	17½	17½	17½
106¾	90	4+2	5.9	Can. Cottons ..	1	100	102	102	102
118½	105	6	5.2	Do. pref.	....	(115 bid — asked)			
22	14	.	...	Can. Dredge ...	25	15	15	15	15
100	99½	6	6	Can. Fairb. pf..	....	(95 bid — asked)			
15	9	1.90	12.6	Can. For. Inv..	135	15	15	14	14
106	104	8	7.5	Do. pref.	3	105	106	106	106
220	210	8	3.7	Can. Gen. Elec.	....	(210 bid — asked)			
8½	7	50c	6.2	Can. G. Inv...	....	(7¾ bid 8½ asked)			
4	1½	25c	...	Can. Ind. Alc..	600	2¾	3¾	3	3½
3¾	1¾	25c	...	Do. (B)	15	3½	2½	2½	2½
208	150	‡4.75	...	Can. Indust. B.	26	172	175	175	175
176	158	7	4.2	Do. pref.	6	165	165	163	165
.30	.25	.	...	Can. Int. I. Tr..	300	.25	.25	.25	.25
50	41	2	4.4	Do. pref.	....	(40 bid 50 asked)			
15	12	1	6	Can. Lt. & Pr..	4	14	12½	12½	12½
9	5	.	...	Can. Locomo...	....	(7½ bid 8 asked)			
.95	.60	4c	...	Can. Marconi..	....	(.70 bid .85 asked)			
17	12	50+50c	8	Can. Oil	....	(13 bid 15 asked)			
123	118	8	6.5	Do. pref.	27	123	123	123	123
7½	4½	.	...	Can. Pacific ..	2341	6½	6½	6	6
.60	.10	.	...	C. Pr. & Pa. In.	1	.30	.25	.25	.25
3	1¾	.	...	Do. pref.	20	2	2	2	2
5	2	.	...	Can. Vickers ..	265	3¾	3¾	3	3
26	9½	.	...	Do. pref.	125	23½	23	22	22
9	8½	1	...	C. Wallpaper A.	....	(9 bid — asked)			
10	8	1	...	Do. (B)	15	8	9	8¾	9
45	36	2	5.2	Can. West'ho'se	....	(38 bid — asked)			
21	18	1.50+25c▲		Can. Wire Box	25	20½	20½	20½	20½
1.30	.75	.	...	Capital Estates.	102	1.16	1.16	1.16	1.16
119½	117½	5	4.2	Carnation, pfd..	2	118½	119½	119½	119½
9½	7	50c	...	Catelli Food ..	....	(— bid 9 asked)			
10	8	75c	8.3	Do. pref.	....	(10 bid 12 asked)			
2.00	1.70	.	...	Celtic Knit ...	....	(1.60 bid — asked)			
155	145	8	5.5	Cent. Can. L'n.	....	(145 bid 155 asked)			
92	82	4	4.9	Chart. Trust ..	....	(— bid 77 asked)			
3¾	3½	.	...	Ch. Gai Wines.	475	3½	3¾	3½	3¾
.32	.10	.	...	Chem. Research	1700	.17	.16	.15	.15
.40	.25	.	...	City Gas & El.	....	(.25 bid — asked)			
.10	.03	.	...	Claude Neon ..	....	(.05 bid .10 asked)			
1.50	1.20	12c	...	Coast Brew ...	650	1.32	1.32	1.30	1.32
6¾	3½	.	...	Cockshutt Plow	100	5	5	5	5
2.37	1.50	15c	...	Comm. Alcohol	1350	2.25	2.25	2.12	2.25
6	5	40c	7.3	Do. pref.	145	5½	5½	5½	5½
4½	3	‡40c	..	Conduits Nat...	104	4½	3½	3	3
14	8	60c	6	Cons. Bakeries.	....	(10 bid 11 asked)			
.03	.02	.	...	Cons. Div. Sec.	....	(.02 bid — asked)			
8	7	75c	...	Do. pref.	5	7½	7½	7½	7½
4½	2½	.	...	Cons. Paper ...	2033	3½	3½	3½	3¾
4	3	.	...	Cons. Press	....	(.03 bid .04¾ asked)			
81	78½	‡3.50	..	Cons. Sand. pf.	....	(.80 bid .82 asked)			
41¾	31½	1+1.50	6.5	Cons. Smelt...	1693	38	39½	38	38¾
145	111	8	6.4	Consumers' Gas	66	128	125½	125	125
67½	30	5.25+3.50▲	.	Corr. P. B. p.	20	50	67½	67½	67½
25	21½	1.20+15c	5½	Cosmos Imp.	....	(22 bid 24 asked)			
31	24½	2	7.2	Crown Cork ..	20	28	28	28	28
1½	1½	.	...	Crown Dom. Oil	....	(1½ bid 1½ asked)			
35	28	3	8.9	Crow's N. Coal	150	33	34½	33½	33¾
1.05	.50	.	...	Cub Aircraft ..	....	(.70 bid .80 asked)			

D, E

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
11	9½	1	...	David & Fre. A	....	(10 bid — asked)			
1.60	1.00	.	...	Do. (B)	25	1.25	1.50	1.50	1.50
8½	7	.	...	de Havilland ..	....	(8½ bid 10 asked)			
75	75	‡7	...	Do. pref.	....	(70 bid 80 asked)			
1.50	.80	.	...	Disher Steel ...	....	(.95 bid 1.10 asked)			
10	8	‡1.50	..	Do. pref.	....	(9½ bid 12 asked)			
28½	18½	2.22	8.5	Distill-Seagram	445	23	23¾	22¾	23½
98	84	5	5.4	Do. pref.	....	(85 bid 98 asked)			
30	30	2.50	8.3	Dom. Ang. Inv.	....	(30 bid 33 asked)			
75	70	5	6.7	Do. pref.	....	(72 bid 84 asked)			
200	184	10	5.3	Dom. Bank	6	188	187	187	187
27½	21	1.20	5.2	Dom. Bridge ..	301	23½	23½	23	23½
21	15½	.	...	Dom. Coal, pf..	130	16½	16½	16	16½
28	15	.	...	Dom. Engineer.	....	(21 bid 25 asked)			
24	17	1	5.6	Dom. Foundries	80	17½	18	18	18
107	104	6	5.6	Do. pref.	....	(105 bid 110 asked)			
126	108	5	4.6	Dom. Glass ...	30	109	109	109	109
155	140	7	4.8	Do. pref.	....	(148½ bid — asked)			
29½	27	1.20+40c	6	Dom. Oilcloth	600	27	27	27	27
.70	.45	.	...	Dom. Scot. Inv.	....	(.65 bid .75 asked)			
27	22½	‡2.05	...	Do. pref.	....	(24¾ bid 27 asked)			
1¾	1½	.	...	Dom. Square ..	....	(1½ bid 1¾ asked)			
9¾	5½	.	...	Dom. St. & CB	536	7½	7½	7	7
6	3½	.	...	Dom. Stores ...	550	5¾	6	5¾	6
6	3¾	.	...	Dom. Tar & Ch.	5	4¾	5	5	5
89	82¾	5.50	6.3	Do. pref.	10	87¾	87¾	87¾	87¾
83	69	5	6.7	Dom. Textile ..	475	72	75	72½	75
155	140	7	4.6	Do. pref.	2	151	151	151	151
1.75	.50	.	...	Dom. Woollens.	6	1.05	1.00	.75	1.00
9½	6	60c	...	Do. pref.	335	8	8	7½	7½
5¾	2¾	10c	...	Donnacona P.A.	248	4½	5	4½	4¾
5¾	2½	10c	...	Do. (B)	130	4	4½	4½	4½
7	4	.	...	Dryden Paper .	390	5½	6	5¾	6
.50	.50	.	...	East Koot. Pr..	....	(— bid .50 asked)			
10	6	.	...	Do. pref.	....	(6 bid — asked)			
.75	.25	.	...	East Dairies ..	100	.75	.65	.65	.65
10½	5½	.	...	Do. pref.	35	7½	9	8¾	9
13½	10	1	9.1	East Steel	130	13½	11	10	10
4½	4	.	...	East Theat.	....	(6 bid 9 asked)			
3	2	.	...	Easy Washing..	....	(3 bid — asked)			
23	21½	2	...	Economic Inv...	....	(23 bid 26½ asked)			
8	5	‡60c	..	Electrolux	5	5	5½	5½	5½
3¾	2	.	...	Enam. & Heat.	....	(2¾ bid 3½ asked)			
29	23	2.50	...	English Electric	....	(29 bid 32½ asked)			
5¾	3	.	...	Do. (B)	61	3½	3	3	3
5¾	5	15c	3	Equitable Life.	112	5	5½	5	5

F, G

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
3.00	1.30	.	...	Fairchild Air..	225	2.00	2.25	2.25	2.25
20	16	1	5.9	Fam. Players ..	....	(— bid 17 asked)			
28	20¾	1.50+25c	8	Fanny Farmer	180	21	21¾	21	21¾
6	3½	.	...	Fleet Aircraft..	450	3¾	4	3¾	3¾
§1.50	.75	.	...	Fleury Bissell .	....	(.20 bid .50 asked)			
15	10	.	...	Do. pref.	....	(9 bid 12 asked)			
18	14½	1	6.7	Ford Motor A.	1468	17	17½	16¾	17½
18½	15	1	5.9	Do. (B)	....	(17½ bid — asked)			
.15	.15	.	...	For. Pr. Secs..	....	(— bid .25 asked)			
16¾	10¾	1	6.4	Foundation Co.	540	14½	15½	15	15½
12	4½	.	...	Fraser Cos.	126	11	12	12	12
13	5¾	.	...	Do. Vot. Tr..	895	11½	12½	11½	12
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
47	41	‡4.50	..	Do. pref.	....	(50 bid — asked)			
9¾	5¾	‡55c	..	Gatineau Pwr..	300	5½	6	5¾	5¾
90	69	5	6.8	Do. pref.	41	72	74½	69	73
95½	75	5.50	6.9	Do. 5½% pref.	15	80	79½	79½	79½
1.25	.15	.	...	Do. Rights ...	....	(— bid 1.00 asked)			
7½	4½	.	...	Gen. St. Wares.	145	5¾	6½	5¾	6½
94	86	7+27c■	..	Do. pref.	50	93	93	93	93
80	66	2.50+1.50	5	Goodyear T. .	10	77	77½	77½	77½
56	52¾	2.50	4.6	Do. pref.	30	54½	54	53¾	53¾
•50	50	‡5	...	Gould Pumps..	....	(— bid — asked)			
4	2½	.	...	Gt. Lakes Pap..	....	(1½ bid 3½ asked)			
§29	18½	‡75c	...	Do. pref.	....	(— bid 17 asked)			
3¾	1¾	.	...	Do. Vot. tr. c.	5	3	3	3	3
19¾	12	‡75c	..	Do. Vot. tr. p.	10	16¾	17	17	17
5½	1¾	.	...	Gt. W. Saddlery	100	4½	4½	4½	4½
30	25	‡4.50	..	Do. pref.	....	(26 bid 35 asked)			
11½	9½	60c	6	Greening Wire.	....	(10 bid 11½ asked)			
§1.25	1.25	10c	...	Growers' Wine.	....	(— bid — asked)			
4½	2½	.	...	Gurd, Chas. ...	535	3½	3½	2¾	2¾
§107½	106½	.	...	Do. pref.	....	(— bid 90 asked)			
4½	2	.	...	Gypsum, Lime.	30	3½	3½	3½	3½

H, I

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
17	16½	1	...	Halifax Fire ...	....	(— bid — asked)			
5½	2¾	.	...	Ham. Bridge ..	391	3	3½	3½	3½
36	34½	2+2▲	5½	Ham. Cot., pf...	....	(35 bid 36 asked)			
1.50	.65	.	...	Ham. U. Theat.	....	1.00 bid 1.45 asked			
75	65	5	6.7	Do. pref.	....	(70½ bid — asked)			
3¾	2½	20+10c	..	Harding Carpet	....	(3½ bid 3¾ asked)			
.25	.25	.	...	Hillcrest Coll. .	....	(.25 bid 1.00 asked)			
4	2	.	...	Do. pref.	....	(2½ bid — asked)			
11	8½	50c	4.8	Hinde & Dauch	....	(10½ bid 11 asked)			
•20	20	.	...	Holt Renfrew .	....	(— bid — asked)			
35	35	.	...	Do. pref.	....	(40 bid 45 asked)			
17½	14	2	13.3	Honey Dew ...	....	(15 bid 18 asked)			
16	10½	.	...	H. Smith Pap...	70	15¾	15¾	15½	15½
101	94	6	6	Do. pref.	20	98½	100	100	100
18	10½	1	9.1	Humberstone S	70	11	11	10½	10½
8½	3½	.	...	Hunts (A)	....	(5 bid 6¾ asked)			
8½	2	.	...	Do. (B)	....	(5 bid 7 asked)			
57	52	4	7	Huron & E. Mt.	....	(55 bid 57 asked)			
9½	8	.	...	Do. 20% pd...	....	(8½ bid — asked)			
.80	.60	.	...	Hydro Electric.	....	(.60 bid 1.50 asked)			
205	192	10	4.9	Imperial Bank.	5	195	202	200	202
10½	8¾	50c	5.1	Imperial Oil ..	4502	9½	9¾	9¾	9½
14	11	40+22½c	5	Imperial Tob..	1150	12½	12½	12½	12¾
8	5	6%	4	Do. pref.	....	(7½ bid 8 asked)			
16	10	‡75c	..	Indust. Accept.	10	10	10	10	10
25	23	3	...	Inter-City Bak.	....	(23 bid 33 asked)			
50	39	‡5+1	..	Inter'c Coal ...	....	(42 Aug. 5)			
§120	120	8	6.7	Do. pref.	....	(— bid — asked)			
16¾	12¾	1.50	11.5	Inter. Bronze..	75	13½	13	13	13
25	20	1.50	7	Do. pref.	150	22½	21½	21½	21½
.30	.25	3c	..	Int. Coal & C..	500	.25	.30	.30	.30
10½	6	.	...	Int. Metal Ind..	....	(8½ bid 9 asked)			
105	93	6+6▲	6.3	Do. pref.	....	(96 bid 99 asked)			
100	93	6+6▲	6.3	Do. pref. A..	5	100	95	95	95
115¾	109½	5	4.5	Int. Mill., pf...	10	111	111½	111½	111½
38½	29½	2	5.9	Int. Nickel	3067	34½	35½	34	34½
156	150	7	4.5	Do. pref.	....	(— bid — asked)			
2½	2	.	...	Int. Paints	....	(2 bid 2½ asked)			
15	15	1+25c▲	..	Do. pref.	....	(13½ bid 20 asked)			
16	13	1	6.7	Int. Pete.	3045	14¾	15	14½	15
3½	2	.	...	Int. Power	101	2½	2¾	2	2
89	79¾	7	8.2	Do. pref.	255	84½	85½	85	85½
•11¾	10½	.	...	Int. St. Rlty. A..	....	(— bid 10 asked)			
•4	3¾	.	...	Do. (B)	....	(— bid 4 asked)			
9¾	5	.	...	Int. Util. (A)..	....	(5¾ bid 6½ asked)			
.25	.10	.	...	Do. (B)	....	(.15 bid .20 asked)			

J, K, L

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13 asked)			
§135	128	7	5.5	Do. pref.	....	(— bid 120 asked)			
11	8	1	10.5	Kelvinator	....	(9 bid — asked)			
15	5	.	...	L. St. John Pr.	....	(— bid 13 asked)			
1.25	.40	.	...	Lake Sulphite..	....	(.95 bid 1.00 asked)			
18½	11½	‡70c	..	Lake of Woods.	142	16½	17	16¾	17
117	110	7	6	Do. pref.	....	(120 bid — asked)			
53	43	4	8.4	Landed Bank ..	....	(50 bid 54 asked)			
12	10	70+12½c		Lang, J. A.	....	(— bid 13 asked)			
•3½	2½	.	...	Langley's	....	(— bid 1 asked)			
25	15	2	...	Do. pref.	10	24	24	24	24
10¾	9	80c	7.9	Laura Secord..	605	10	10½	10	10½
12	6½	.	...	Legare, pref. ..	....	(9 bid 9½ asked)			
3½	2½	‡15c	...	Levy Bros.	....	(2½ bid 2½ asked)			
6½	4½	.	...	Lindsay, C. W..	....	(4½ bid 5¾ asked)			
53	50	.	...	Do. pref.	....	(50 bid — asked)			
28	24	1+25c	4.9	Loblaw (A) ..	280	25	25¾	25	25
26	22	1+25c	5.2	Do. (B)	836	24½	24¾	24	24

M

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
1.00	1.00	.	...	Mackenzie Air.	....	(— bid — asked)			
2	2	.	...	Mackin. Steel ..	....	(— bid — asked)			
60	50	‡3.75	...	Do. pref.	14	60	60	60	60
15¾	11	.	...	Maclaren Pr. ...	35	15½	15	15	15
8½	7	.	...	M. L. Gardens.	....	(8½ bid 9 asked)			
7½	5	40c	6.4	Do. pref.	....	(6½ bid 7½ asked)			
4½	1¾	.	...	Maple Leaf M..	25	3	2¾	2½	2¾
6¾	2½	.	...	Do. pref.	5	5½	5½	5½	5½
16½	15	‡55+10c	.	Maritime Tele..	....	(16½ bid 16½ asked)			
16¾	16	70c	4.2	Do. pref.	....	(16½ bid — asked)			
16	14¾	.	...	Marcus Loew's.	....	(17½ bid — asked)			
•100	100	7+5.25▲		Do. pref.	....	(— bid — asked)			
3½	2	.	...	Massey-Harris .	925	2½	2½	2	2½
60½	25	.	...	Do. pref.	535	53	54½	52¾	53
5	3½	.	...	Do. com. new	655	3¾	3¾	3¾	3¾
12½	11½	.	...	Do. pfd. new.	245	11½	11¾	11¾	11¾
5¾	3	.	...	McColl Fron. ..	6	4	4	4	4
98	85	6	7	Do. pref.	21	88	89	86	86
2.00	.75	.	...	Melchers	100	1.25	1.00	1.00	1.00
5¾	5	60c	..	Do. pref.	112	5¾	5¾	5¾	5¾
•1½	1½	.	...	Mercantile Tran	....	(— bid — asked)			
•5	5	6%	...	Do. pref.	....	(— bid — asked)			
7½	3½	.	...	Mercury Mills.	....	(3½ bid 3½ asked)			
50	45	2.50	5	Mitchell, J. S..	....	(— bid 50 asked)			
12¾	7½	‡50c	...	Mitchell, Robt..	125	11	12	11½	12
17½	15	80+40c	7	Mod. Contain..	....	(15¾ bid 16¾ asked)			
98	97½	5.50	5.8	Do. pref.	15	98	97½	97½	97½
2	1½	.	...	Monarch Knit .	....	(— bid — asked)			
75	50	7	...	Do. pref.	....	(55 bid 60 asked)			
65	55	4	6.2	Montreal Cot...	....	(55½ bid — asked)			
118	110	7	6.2	Do. pref.	3	111	113	113	113
1.00	.25	.	...	Mont. Is. Pr...	....	(.25 bid 2.25 asked)			
29½	20½	1.50	6.4	Mont. L. & Pr..	1504	23½	23¾	22	23
50½	47½	.	...	Do. Notes ...	181	49½	49¾	49½	49¾
15	15	1.25	8.3	Montreal Loan.	....	(14 bid — asked)			
.50	.15	.	...	Mtl. Refrig. c.	30	.20	.20	.15	.20
11¾	9¾	‡1.25	..	Do. pref.	5	11½	11¾	11¾	11¾
30	25	•1.96	...	Montreal Tele.	15	26½	27	27	27
52	15	.	...	Montreal Trams	10	18	18	18	18
47½	41	2.22+60c	6	Moore Corp...	292	45½	45¾	44½	44½
188	176	7	3.9	Do. pref. (A)	1	184	179	179	179
279	266	7	2.5	Do. pref. (B)	....	264 bid 268½ asked			
.05	.05	.	...	Muirheads	....	(.05 bid .25 asked			
§1	1	.	...	Do. pref.	....	(— bid — asked)			

N, O

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
28	19	2	7.5	Nat. Breweries.	140	26½	27	26½	26½
40	35	1.75	4.5	Do. pref.	100	40	39	39	39
5½	3¾	.	...	Nat. Grocers ..	210	4¾	5	4¾	4¾
26½	24½	1.50	5.7	Do. pref.	60	26½	26½	26	26½
8½	7	.	...	N. Sew. Pipe A	117	8	8	7¾	8
39	30¾	2	5.7	Nat. Steel Car.	250	33	35	33¾	34½
150	140	8	5.7	National Tr. ..	....	(130 bid 140 asked)			
§9½	9½	‡30c	..	Neon Prod.	....	(— bid — asked)			
25½	15	2	11.1	Niag. W. Weav.	100	19	18	18	18
3¾	2	.	...	Noorduyn Av...	....	(2 bid 3½ asked)			
.90	.35	.	...	North Star Oil.	....	(.80 bid — asked)			
3¾	2¾	35c	10.8	Do. pref.	100	3½	3½	3½	3½
87	86	6	6.9	N. S. L. & Pr..	....	(88 bid — asked)			
108	102	6	5.6	Do. pref.	38	107½	108	108	108
22½	18	1	4.9	Ogilvie Flour ..	40	21½	21¾	20½	21¾
155	145	7	4.6	Do. pref.	5	150½	152	152	152
113	105	5	4.7	Ontario Loan..	....	105 bid 113¾ asked			
3	3	.	...	Ont. Silknit ...	....	(— bid 3 asked)			
45	35	‡2	...	Do. pref.	163	39	40	40	40
10	7	.	...	Do. Scripts ..	159	10	10	10	10
10	8½	1	...	Ont. Steel	....	(— bid — asked)			
110	110	7	6.4	Do. pref.	....	(— bid 120 asked)			
2.00	1.00	.	...	Orange Crush..	....	1.10 bid 1.20 asked			
6½	4½	70c	14	Do. pref.	....	(4 bid 5 asked)			
8½	5	40c	5.9	Ott. Car Air. ..	....	(— bid 6¾ asked)			
16	12	1.20	10	Ottawa El. Rly.	....	(12 bid 15½ asked)			
11	5	60c	11.8	Ott. L. H. & Pr.	50	5	5½	5½	5½
99	85	5	5.9	Do. pref.	20	87	85	85	85

P, Q, R

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
35	32	3c	..	Pacific Coyle ..	603	33	35	35	35
106½	95½	5	4.8	Page Hersey ..	116	104	105	104	105
4¾	4¾	.	...	Pantepec Oil ..	....	(5½ bid — asked)			
30½	25	2	6.6	Paton Mfg.	....	(25 bid 50 asked)			
115	115	7	6.1	Do. pref.	....	(112½ bid — asked)			
52	46	3	5.8	Penmans	5	52	52	52	52
124	120	6	4.9	Do. pref.	3	124	121	121	121
16½	14	1	7.2	Photo Eng. ...	15	14	14	14	14
99	95½	7	7.2	Porto Rico Pr p	....	98½ bid 100½ asked			
6	2	30c	...	Power Corp. ..	265	3¾	3¾	3¾	3¾
98	75	6	8	Do. pref.	5	82	75	75	75
43	28	3	8.8	Do. 2nd pref.	....	(31 bid 36 asked)			
9½	6½	1	4.8	Pressed Metals.	30	7½	6¾	6½	6½
12½	8¾	.	...	Price Bros.	75	10½	11½	11½	11½
75	61	5.50	7.8	Do. pref.	25	70	70	70	70
7	5½	40c	6.7	Prov. Transport	....	(6 bid 7 asked)			
14½	9½	1	7.7	Quebec Power.	155	13	13	12½	12½
4	4	.	...	Que. Telephone.	30	4	4	4	4
27½	24	2	7.3	Real Estate L'n	1	26	27½	27½	27½
5	3	25c	...	Regent Knit ...	....	(3 bid 3½ asked)			
18	15½	1.60	9.7	Do. pref.	25	16½	16½	16½	16½
4½	2½	.	...	Reliance Grain.	....	(3 bid — asked)			
65	60	6.50	10	Do. pref.	....	(61 bid — asked)			
20	15½	2	11.8	River S. Mill ..	....	(17 bid 18 asked)			
10	9	60c	6.7	Rolland Pap. ..	....	(— bid 9 asked)			
95	88	6	6.4	Do. pref.	....	(90 bid 93½ asked)			
167½	148	8	5.2	Royal Bank ...	19	155	156	154	156
17	14	80c	4.8	Russell Indust.	110	16½	17	16½	17
170	145	7	4.1	Do. pref.	....	(170 bid 175 asked)			

S

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
107	103	5.50	5.2	Saguenay Pr. p.	100	105	104¾	104½	104¾
34½	34½	‡75c	..	Sangamo	....	(24½ bid 33½ asked)			
9	6½	.	...	Sarnia Br. (A).	....	(6 bid 8 asked)			
1	¾	.	...	Do. (B)	....	(1 bid 3 asked)			
..	..	.	...	Scythes & Co..	....	(15 bid — asked)			
..	..	.	...	Do. pref.	....	(25 bid 26 asked)			
17	12	90c	6.1	Shawinigan Pr.	2145	15½	15¾	14½	14¾
12¾	8½	.	...	Sher. Wms.	....	(— bid 12½ asked)			
115	108½	7+1.75▲	6	Do. pref.	5	115	115	115	115
7	3	40c	6.2	Silverwoods ...	....	(6¾ bid 7 asked)			
6¾	5½	40c	5.9	Do. pref.	100	6¾	6¾	6¾	6¾
7	5¾	60c	8.6	Simon & Sons.	....	(7 bid 9 asked)			
106	105	7	6.7	Do. pref.	....	(— bid 105 asked)			
11	8	.	...	Simpson, A. ..	....	(9 bid 12½ asked)			
5	2	.	...	Do. (B)	4	3	4	4	4
100	91	6.50	6.8	Do. pref.	97	96½	96	95	96
135	132	6	4.4	Simpson, R., pf.	....	(132 bid 130 asked)			
11	8	80c	6.2	So. Can. Pr. ..	50	10	9¾	9¾	9¾
106	97	6	6	Do. pref.	107	100	100	99½	99½
2¾	1½	.	...	St. Law. Corp..	715	1½	2½	1¾	2
18	13	1	5.9	Do. pref.	150	16	16¾	16½	16¾
22	19	1+50c	6.9	St. Law. Flour	....	(20 bid — asked)			
112	110	7	6.4	Do. pref.	....	(111 bid — asked)			
43	31	2	4.9	St. Law. Pap. p	118	39½	40½	40	40½
12½	8	‡1.25	...	Stand. Chem. .	....	(11 bid 12 asked)			
5	1	.	...	Stand. Clay ...	....	(2 bid 3 asked)			
.90	.50	.	...	St. Pav. & Mat.	50	.75	.55	.55	.55
5	2½	‡62½c	..	Do. pref.	150	5	4	4	4
4	2½	10c	...	Stand. Radio ..	4	3¾	3	3	3
25	18	60+60c	5½	Stedman Bros.	....	(20½ bid 21 asked)			
70	59½	3	4.4	Steel of Can...	198	67½	67½	67	67½
76	64	3	4	Do. pref.	87	73½	74	72	72
3½	2	.	...	Sterling Coal ..	....	(— bid 3 asked)			
.15	.15	.	...	Stop & Shop ..	....	(— bid .20 asked)			
15	10	80+50c■		Stuart, D. A. pf.	150	15	15	14½	15
§3½	2¾	.	...	Supersilk, H. A.	....	(— bid 2½ asked)			
3	2¾	.	...	Do. (B)	....	(— bid 3 asked)			
70	70	5	7.2	Do. pref.	....	(— bid 73 asked)			
30	19	1+25c	6.6	Sup. Pete. ord..	....	(19 bid 26 asked)			
27	19½	1+25c	6.4	Do. com.	....	(19½ bid 32 asked)			

T, U, V

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
11½	9¾	80c	7.1	Tamblyn	....	(11 bid 11¾ asked)			
52¾	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
§3	3	.	...	Thayers	....	(1½ bid 6 asked)			
§36	20	2.50	...	Do. pref.	....	(21 bid 35 asked)			
2	1	.	...	Thrift Stores ..	....	(1 bid 2½ asked)			
9	8	.	...	Do. pref.	....	(10 bid — asked)			
10	6	60c	6.3	Tip Top Tailors	....	(8½ bid 9½ asked)			
107	100	7	6.9	Do. pref.	....	(103 bid 110 asked)			
1.50	1.00	.	...	Tooke Bros. ...	....	(1.00 bid — asked)			
13	11	.	...	Do. pref.	....	(10 bid 15 asked)			
21½	19	1	5.2	Tor. Elevators.	100	19	19	19	19
51	42	2.62½	5	Do. pref.	....	(49 bid 51 asked)			
80	63	4	5.3	Tor. Gen. Tr...	18	75	75	75	75
82	69	5	6.9	Toronto Mtge..	....	(72 bid 85 asked)			
155	139	7	4.9	Tuckett Tob. p.	....	(— bid 145 asked)			
2.00	1.00	.	...	Twin City	....	1.25 bid 1.75 asked			
26½	21½	.	...	Do. pref.	....	(— bid — asked)			
14½	10¾	80+20c	9	Union Gas	414	11½	11½	11	11½
13½	12	80c	6.2	Un. Amuse. A.	....	(— bid 10 asked)			
13½	13	80c	5.9	Do. (B)	....	(— bid — asked)			
.85	.60	.	...	United Distill..	....	(— bid 75 asked)			
40½	30	3	7.9	United Fuel, pf.	35	38	38	37	37
5¾	2½	.	...	Do. (B) pref.	50	3¾	3¾	3¾	3¾
4¾	1	.	...	United Secs. ..	....	(1½ bid 2 asked)			
5½	2¾	.	...	United Steel ..	200	4½	4	3¾	3¾
4	3	.	...	Viau Bisc.	....	(3 bid — asked)			
60	50	5	10	Do. pref.	....	(50 bid — asked)			

W, Y, Z

Range 1941 High	Low	Div. R'te $	Oct25 Y'ld %		Sales	Last Oct. 20	Week end. Oct. 27 H	L	Cl'se
38	23½	2	5.7	Wabasso Cot. ..	25	32½	35	34	35
48½	36½	4	9.2	Walker-Good. .	1023	43	44	42¾	44
20½	19	1	5	Do. pref.	465	19¾	20	19¾	19¾
1.00	.50	5c	...	Walkerville Br.	150	1.00	1.00	1.00	1.00
§135	130	7	5.4	W. Koot. Pr. p.	....	(135 bid — asked)			
2.00	.75	.	...	West. C. Flour.	....	1.15 bid 1.50 asked			
26	14	.	...	Do. pref.	....	(18 bid 24½ asked)			
60	42	3+1	8	West Grocers ..	5	51	50	50	50
115	107	7	6.3	Do. pref.	10	110½	110½	110	110
§15½	11¾	50c	...	W'minster Pap.	....	(— bid — asked)			
12	9	80c	7.6	Weston Ltd. ..	450	10	10½	10	10½
98	90	5	5.4	Do. pref.	....	(94½ bid 96 asked)			
18½	14¾	1	6.1	Wilsils	....	(16¾ bid 18 asked)			
1.20	.50	.	...	Winnipeg El. A	1400	.75	1.10	.75	1.10
1.40	.65	.	...	Do. (B)	104	.75	1.00	.75	1.00
8	3¾	.	...	Do. pref.	137	6	7	6	7
85	73½	7	8.3	Wood, A. & J. p	....	(82 bid 84½ asked)			
55	45	.	...	Woods Mfg., pf.	1	55	50½	50½	50½
5½	4	40c	8.9	York Knitting .	1000	4	4½	4½	4½
•100	100	7	7	Do. 1st pref..	....	(— bid — asked)			
13	8½	80c	6.7	Zellers	....	(11¾ bid 13 asked)			
24½	23½	1.50	6.1	Do. pref.	....	(24½ bid — asked)			

Quotations: § 1940. • 1939. * 1938.
▲ On account of arrears. ‡ Paid in 1940.
■ Participating. ‡ Paid or payable in 1941 to date.
• Paid in 1941 after corporate income tax.

Mining Stocks

Week Ending October 27.

A

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
No	.24	.05	Aldermac........	4,500	.16	.18	.15	.15½
1	.02½	.00½	Amm. Gold......	......	(.00¾ bid .01½ asked)			
No	3.15	1.90	Anglo-Huronian..	622	2.90	2.75	2.65	2.65
No	.30	.30	Argus Interests...	......	(.10½ bid .40 asked)			
No	.03	.01	Arno.............	......	(.... bid .02 asked)			
1	.11	.03¾	Arntfield.........	9,000	.08	.08	.07	.07
1	.06½	.03¾	Ashley...........	2,000	.05½	.05	.04¾	.05
1	.05	.02	Astoria Quebec...	......	(.... bid .05 asked)			
1	2.45	1.50	Aunor Gold......	10,263	1.70	1.87	1.75	1.85

B

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	.16½	.05	Bagamac........	625	.08	.10	.07½	.10
1	.08	.04	Bankfield........	200	.05½	.05	.05	.05
No	.14	.05	Base Metals.....	16,800	.10½	.10½	.07	.07½
1	.15	.06	Bear Exploration.	31,100	.07½	.08¾	.07½	.07½
1	1.24	1.00	Beattie Gold.....	1,800	1.13	1.11	1.06	1.06
1	.09	.04½	Beaufor..........	......	(.06 bid .06½ asked)			
1	1.00	.90	Berens River......	......	(.... bid 1.00 asked)			
1	.15	.07	Bidgood Kirk. ...	24,400	.11½	.14	.11½	.12
1	.11	.05	Bobjo............	3,500	.06	.06½	.06	.06
1	.59	.35	Bonetal Gold.....	1,004	.37	.38	.38	.38
1	.03	.00½	Bouscadillac G.M.	1,000	.03	.02	.02	.02
No	11.63	9.50	Bralorne.........	295	10.75	11.00	10.50	10.50
1	.03	.02¼	Brazil Gold......	......	(.... bid .02¾ asked)			
1	.01½	.00¾	Brett Trethewey	1,000	.00½	.00½	.00½	.00½
1	1.10	.67½	Broulan Porc.....	13,750	.69	.69½	.67½	.68
1	5.95	3.00	Buffalo Ankerite	610	4.00	4.15	4.00	4.00
No	.06	.02½	Buffalo Can......	......	(.02½ bid .03½ asked)			
5	19.00	14.25	Bulolo Gold.....	60	18.50	18.50	18.00	18.50
No	.03	.01½	Bunker Hill......	......	(.01½ bid .01¾ asked)			

C

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	.10	.10	Camp Bird......	......	(.09 bid .12 asked)			
No	.63	.47	Can. Malartic....	9,850	.55	.57	.52	.52
1	.00½	.00½	Capital Rouyn...	......	(.... bid .01 asked)			
1	2.91	2.10	Cariboo Gold....	180	2.15	2.15	2.15	2.15
1	.02½	.01	Cartier Malartic .	......	(.00½ bid .01½ asked)			
1	.60	.40	Castle Trethewey	500	.55	.50	.50	.50
1	.01½	.01½	Cen. Manitoba...	......	(.... bid .... asked)			
1	.08	.05	Cen. Cadillac....	1,000	.06	.06	.06	.06
1	1.95	1.52	Cen. Patricia....	4,375	1.54	1.57	1.52	1.53
1	.21	.09	Cen. Porcupine ..	1,600	.10½	.11½	.11	.11
1	.18½	.05	Century Mining..	......	(.... bid .14 asked)			
1	1.87	1.10	Chesterville......	31,100	1.65	1.81	1.65	1.69
No	2.40	2.10	Chromium.......	......	(2.30 bid 2.75 asked)			
5	1.35	.50	Coast Copper....	......	(.... bid 1.39 asked)			
1	1.04	.62	Cochenour Willans	13,175	.65	.69	.63	.63
5	1.55	1.20	Coniagas........	......	(1.25 bid .... asked)			
No	1.55	1.13	Coniaurum.......	650	1.15	1.25	1.20	1.23
5	41.37	31.50	Cons. Smelters...	1,693	38.00	39.25	38.00	38.75

D, E

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	1.24	.68	Delnite..........	1,200	.70	.70	.68	.68
1	.07½	.02½	Denison Nickel ..	2,500	.05½	.05	.04¾	.04¾
No	25.00	19.00	Dome Mines.....	1,945	20.25	20.75	19.00	19.00
1	.16¾	.08½	Duquesne.......	49,745	.11½	.12	.10	.10
1	2.95	2.05	East Malarticoo..	22,585	2.25	2.25	2.09	2.10
1	.52	.30	Eldorado........	2,500	.38	.40	.36	.36

F, G

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
No	3.90	1.92	Falconbridge.....	190	3.35	3.50	3.35	3.40
1	.06	.02¾	Federal.........	6,000	.03½	.03½	.03	.03
1	.06½	.01¾	Fernland........	......	(.02 bid .02¾ asked)			
No	.63	.33	Francoeur Gold..	9,000	.43	.49	.45	.46
1	.08½	.03	Gillies Lake......	1,800	.03½	.03¾	.03½	.03¾
1	.02	.01	Glenora.........	......	(.01½ bid .01¾ asked)			
No	.41	.18	God's Lake......	2,960	.29½	.30	.30	.30
1	.16½	.11	Goldale.........	500	.12	.12½	.12½	.12½
50c.	.29	.20	Gold Belt.......	......	(.20 bid .... asked)			
1	.10	.02½	Gold Eagle......	3,050	.04	.04½	.03	.04
1	.13	.05	Golden Gate.....	29,000	.05	.05½	.05	.05
1	.02	.00¾	Goodfish........	......	(.01 bid .01½ asked)			
1	.02¾	.01¾	Graham Bosquet.	......	(.02 bid .02¾ asked)			
No	.06½	.03½	Grandora........	......	(.04½ bid .05½ asked)			
1	.01½	.01½	Grull Wihksne....	......	(.01¾ bid .04 asked)			
1	.38	.20	Gunnar Gold....	5,200	.25	.25	.23	.23

H, I, J

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	.09¾	.04	Halcrow Swayze .	10,000	.04½	.05½	.04½	.04½
1	.01¾	.00¾	Halliwell Gold...	......	(.00½ bid .02 asked)			
1	5.40	3.50	Hallnor Mines...	54	4.00	3.50	3.50	3.50
1	1.10	.65	Hard Rock......	9,550	.72½	.75	.70	.70
1	.08	.03	Harker.........	1,000	.03½	.03½	.03½	.03½
1	.58	.43	Hedley Mascot...	......	(.... bid .50 asked)			
5	13.12	11.00	Hollinger.......	2,113	12.25	12.25	11.00	11.00
1	.30	.20	Howey Gold.....	14,700	.26	.27	.23½	.23½
No	30.50	23.50	Hudson Bay.....	2,822	26.50	27.00	26.50	26.75
1	.68	.20	Inspiration......	......	(.37 bid .41 asked)			
No	38.25	29.25	Int. Nickel......	3,067	34.25	35.12	34.00	34.12
50c.	1.27	.85	Island Mountain.	......	(1.20 bid .... asked)			
1	.02½	.00½	Jacola..........	2,000	.01¾	.01¾	.01¾	.01¾
1	.27	.10	Jack Waite......	......	(.17½ bid .19½ asked)			
1	.46	.32	Jason Mines.....	8,700	.32	.35	.32	.32
1	.03¾	.01	Jellicoe.........	2,000	.02¾	.02½	.02½	.02½
1	.01¾	.00½	J. M. Cons. Gold.	3,500	.01	.01	.01	.01
1	.02	.01	Joliet Quebec....	......	(.01 bid .01¾ asked)			

K, L

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	4.90	3.05	Kerr Addison....	9,095	4.50	4.60	4.40	4.40
1	.41	.25	Kerr Lake.......	......	(.20 bid .40 asked)			
1	.05	.01	Kirk. Gold Rand.	1,200	.05	.02½	.02½	.02½
1	.42	.15	Kirk. Hud. Bay..	600	.33	.33	.33	.33
1	1.05	.65	Kirkland Lake...	5,185	.67	.75	.66	.66
1	.18½	.07½	Kirk. Townsite...	1,500	.10	.10	.10	.10
1	21.00	11.87	Lake Shore......	1,978	13.75	13.75	11.87	12.00
No	5.15	4.20	Lamaque Gold...	1,218	4.20	4.25	4.20	4.25
1	.15	.06	Lapa Cadillac....	4,300	.12	.11½	.11	.11
1	.02½	.01	Lebel Oro.......	1,200	.01	.01	.01	.01
1	.60	.40	Leitch Gold......	6,200	.40	.43	.41	.43
No	2.10	1.58	Little Long Lac..	2,950	1.60	1.64	1.58	1.62

M

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	4.35	3.45	Macassa.........	2,600	3.70	3.70	3.55	3.60
1	2.35	1.49	MacLeod Cockshutt	10,905	2.05	2.15	2.00	2.08
1	.76	.50	Madsen Red Lake	12,700	.62	.67	.60	.60
1	2.96	.85	Malartic Gold....	56,173	2.41	2.50	2.16	2.18
No	.09	.04	Mandy..........	......	(.09 bid .12 asked)			
No	.01	.00½	Man. Eastern..	1,000	.00½	.00½	.00½	.00½
1	.04	.01	Maralgo.........	......	(.02½ bid .04¾ asked)			
5	52.25	46.00	McIntyre........	432	48.75	48.75	48.25	48.25
1	1.32	.97	McKenzie R.L. ..	3,550	1.03	1.05	1.00	1.00
1	.24	.15	McLellan Gold...	4,500	.20	.19	.15	.18
1	.09	.04	McVittie Graham	1,000	.06	.05	.05	.05
No	.25	.10½	McWatters......	2,050	.15	.15	.12½	.12½
5	•.39	.39	Mentor Exploration	......	(.15 bid .49 asked)			
No	1.77	.55	Mining Corp.....	2,400	1.30	1.45	1.31	1.31
1	•.05	.05	Moffatt Hall.....	......	(.02 bid .... asked)			
1	.55	.29	Moneta..........	2,655	.32	.32	.29	.29
1	.07	.02	Murphy.........	......	(.... bid .07 asked)			

N, O

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	.31	.21	Naybob.........	20,600	.24	.24	.21	.22
1	.71	.50	Negus..........	......	(.60 bid .65 asked)			
No	.02½	.01	Newbec.........	4,000	.02½	.02	.02	.02
1	.03	.00½	New Golden Rose	......	(.01 bid ...... asked)			
5	1.35	.75	Nipissing........	1,500	1.15	1.16	1.15	1.16
No	58.00	49.25	Noranda.........	2,379	53.25	52.50	51.25	51.50
No	.52	.25	Nor. Canada.....	......	(.26 bid .35 asked)			
1	.04	.02½	Norgold.........	800	.03½	.04	.03¾	.03¾
No	.99	.25	Normetals.......	20,968	.79	.85	.80	.82
1	5.00	3.75	Northern Empire.	......	(.... bid 4.00 asked)			
1	1.88	.50	O'Brien.........	26,175	1.25	1.40	1.20	1.26
1	.18	.10	Omega..........	600	.10	.10½	.10	.10½
1	.15	.10½	Ontario Nickel...	37,700	.13	.13½	.10½	.10½
1	.09	.04	Osisko..........	......	(.03½ bid .06 asked)			

P, Q, R

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
No	1.65	.96	Pamour.........	3,613	1.10	1.13	1.05	1.06
1	.08½	.02	Pandora.........	3,500	.05	.06	.05	.06
1	3.00	2.25	Pato Cons. G....	1,600	2.90	2.95	2.85	2.85
1	.05	.02	Partanen Mal....	2,000	.02½	.02¾	.02½	.02½
1	.01	.00½	Pawnee Kirk.....	......	(.00¾ bid .00¾ asked(			
1	.28	.15	Paymaster.......	10,100	.20	.21	.19	.19
1	2.10	1.00	Pend Oreille.....	425	1.70	1.70	1.70	1.70
1	1.69	1.25	Perron Gold.....	3,000	1.58	1.58	1.55	1.55
1	3.10	2.25	Pickle Crow.....	2,250	2.70	2.75	2.70	2.70
1	2.55	1.90	Pioneer Gold B.C.	900	2.20	2.18	2.15	2.17
1	9.50	8.50	Placer Devel.....	......	(9.00 bid 13.00 asked)			
1	1.17	.50	Powell Rouyn....	10,000	1.06	1.17	1.00	1.00
1	.95	.70	Premier Gold....	2,500	.70	.71	.70	.71
1	3.60	2.70	Preston E. Dome.	12,485	3.25	3.40	3.20	3.20
No	.20	.15	Prospectors Air's.	......	(.15 bid .59 asked)			
1	.25	.20	Quebec Gold.....	500	.20	.25	.25	.25
1	.62	.38	Queenston Gold..	11,849	.47	.51	.42	.45
No	.05	.02	Quemont........	......	(.04 bid .... asked)			
No	.04	.01	Red Crest.......	......	(.03 bid .04 asked)			
1	.30	.10	Reeves McDonald	......	(.30 bid .... asked)			
1	.13½	.10	Reno Gold.......	800	.10½	.11	.10	.10
1	.05	.02	Roche Long Lac .	......	(.03 bid .04 asked)			

S, T, U, V, W, Y

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	2.65	2.03	San Antonio.....	3,475	2.25	2.35	2.26	2.30
1	.07½	.01½	Sand River......	1,000	.02½	.03½	.03	.03
1	.59	.25	Senator Rouyn...	15,150	.26	.27	.25	.25
1	.04	.01	Shawkey........	......	(.01 bid .02½ asked)			
50c.	1.00	.73	Sheep Creek.....	2,800	.90	.90	.86	.86
1	1.15	.55	Sherritt Gordon..	8,628	.92	.95	.90	.93
1	8.90	6.90	Sigma Mines.....	200	7.00	7.20	7.10	7.10
1	.69	.50	Siscoe..........	5,400	.53½	.56	.52	.53
1	.43	.16½	Sladen Malartic..	14,400	.27	.31	.28	.29
1	.19½	.06½	Slave Lake......	15,200	.08	.08	.07¾	.07¾
1	.15	.06	St. Anthony.....	800	.06¾	.06½	.06	.06½
No	2.09	.81	Steep Rock......	23,400	1.59	1.82	1.60	1.68
No	.04¾	.02	Straw Lake......	6,500	.02½	.03	.02½	.02½
1	.24	.12	Sturgeon River...	3,000	.15	.15	.14	.14
No	1.90	1.10	Sudbury Basin...	200	1.55	1.57	1.53	1.53
1	.05½	.01½	Sudbury Contact.	......	(.03 bid .04½ asked)			
1	.80	.20	Sullivan Cons....	5,025	.60	.67	.60	.67
1	2.95	2.25	Sylvanite........	2,310	2.31	2.35	2.25	2.25
1	3.75	2.50	Teck Hughes....	3,710	2.65	2.65	2.50	2.53
1	.08¾	.04	Temiskaming....	6,500	.05½	.05½	.04¾	.05½
1	1.80	1.00	Toburn Gold.....	511	1.25	1.22	1.00	1.20
1	.22	.08	Towagmac......	......	(.13½ bid .17 asked)			
No	.50	.20	Trans. Resources.	2,000	.35	.37	.37	.37
1	.39	.06	Uchi Gold.......	4,500	.09½	.09	.08½	.08½
.	84.00	38.50	Do., Bonds....	$2,500	38.50	40.00	40.00	40.00
1	2.28	1.27	Upper Canada...	35,700	1.68	1.70	1.40	1.43
No	4.90	2.75	Ventures........	265	4.20	4.25	4.20	4.20
No	5.15	3.00	Waite Amulet....	466	4.45	4.55	4.50	4.50
1	.26	.15	Wendigo........	2,500	.17	.17	.17	.17
1	.02½	.01	Wiltsey Coughlan	500	.02	.01¾	.01¾	.01¾
1	.10	.04	Wood Cadillac...	12,800	.07	.07	.06	.06
No	7.05	3.25	Wright-Hargreaves	19,810	3.25	3.25	2.80	2.80
No	.08	.04	Ymir Girl.......	2,000	.04½	.04½	.04½	.04½

Oil Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
No	.11½	.04	Acme Gas Oil..	......	(.05½ bid .06½ asked)			
1	.09	.06	Alta. Pac. Cons..	......	(.06¾ bid .... asked)			
1	.18	.10	Ajax...........	......	(.13 bid .14½ asked)			
No	.81	.46	Anglo Canadian..	5,500	.60	.60	.58	.58
No	.12	.05	Br. Dominion....	......	(.07 bid .10 asked)			
No	.12	.06	Brown Oil.......	2,500	.06½	.07	.06	.06
No	1.49	1.05	Calgary Ed......	1,620	1.15	1.30	1.21	1.21
1	.26	.14	Calmont........	2,775	.18	.17	.15	.17
No	.26	.18	Commoil........	......	(.20 bid .24 asked)			
No	.30	.19	Common Pete....	......	(.26 bid .32 asked)			
No	.32	.20	Dalhousie.......	1,090	.22	.22	.20	.20
No	.17	.11½	Davies Pete	6,300	.12	.13½	.12	.12
No	.05	.02½	East Crest.......	1,000	.03	.02¾	.02¾	.02¾
No	.30	.20	Federated Pete...	......	(.... bid .25 asked)			
No	.84	.40	Foothills........	30	.65	.55	.55	.55
No	*.08	.04	Hargal..........	......	(.... bid .15 asked)			
No	.15	.06	High Sarcee.....	3,000	.14	.14	.13	.14
No	2.67	1.50	Home...........	10,178	2.25	2.33	2.20	2.20
1	.03	.01½	Homestead O. & G.	......	(.02 bid .02¾ asked)			
No	.08	.04	McD. Segur.....	1,500	.05	.04½	.04½	.04½
1	.20	.15	Model..........	500	.18	.17	.17	.17
25c.	.05	.05	National Petroleum	......	(.... bid .05 asked)			
1	.06	.01	Nordon.........	......	(.03½ bid .07 asked)			
No	.02¾	.01½	Oil Selections....	1,500	.02½	.02½	.02¼	.02¼
No	.78	.35	Okalta..........	1,200	.45	.45	.41	.41
No	.04½	.02¾	Pacalta.........	1,500	.02¾	.02½	.02½	.02½
1	.27	.15	Pacific Petroleum	......	(.20 bid .... asked)			
No	.30	.25	Petrol Oil & Gas	......	(.30 bid .50 asked)			
No	25.00	16.50	Royalite........	40	21.00	21.50	20.00	20.00
No	.30	.10	South West Pete.	......	(.16 bid .25 asked)			
No	.04	.01	South End......	2,000	.01	.01½	.01½	.01½
5	1.25	.90	Texas Can.......	......	(.75 bid 1.00 asked)			
No	.06	.02¾	United Oils.....	......	(.04 bid .05 asked)			
1	.05	.01	Vermilata.......	15,500	.04	.05	.03¾	.05
1	.34	.25	Vulcan.........	......	(.17 bid .... asked)			

Vancouver Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
No	.05	.03½	Bayonne........	1,000	.05	.05	.05	.05
No	11.90	9.50	Bralorne........	320	11.00	11.00	10.75	10.75
1	.00¾	.00¾	Bridge River Cons.	......	(.... bid .... asked)			
1	2.91	2.05	Cariboo Gold....	550	2.10	2.20	2.10	2.20
No	.01½	.00½	Dentonia.......	1,800	.01½	.01½	.01	.01½
No	.01½	.00½	Fairview Amal. ..	......	(.00½ bid .01 asked)			
1	.15	.13	George Copper...	......	(.12½ bid .... asked)			
1	.08½	.03½	Golconda........	1,000	.06	.06	.06	.06
50c.	.30	.20	Gold Belt.......	1,100	.24	.23	.23	.23
50c.	.20	.10	Grandview......	500	.18	.15½	.15½	.15½
1	.03	.01	Grull Wihksne...	......	(.02½ bid .02¾ asked)			
1	.60	.45	Hedley Mascot...	1,100	.46	.47	.46	.47
No	.00¾	.00½	Home Gold......	3,000	.00¾	.00¾	.00¾	.00¾
1	.01	.00½	Indian Mines....	......	(.01 bid .... asked)			
50c.	1.27	.75	Island Mountain.	2,300	1.25	1.25	1.20	1.20
1	.35	.27	Inter'tl Coal.....	2,400	.31	.29	.29	.29
50c.	.28	.20	Kootenay Belle ..	......	(.20 bid .... asked)			
1	.25	.20	McGillivray Creek	1,000	.25	.25	.25	.25
No	.03	.00¾	Minto Mines.....	2,250	.02½	.02½	.02½	.02½
50c.	.02	.00¾	Nicola..........	33,500	.02	.02	.02	.02
1	.10	.03½	Pacific Nickel....	500	.10	.09	.09	.09
1	2.00	1.26	Pend Oreille....	402	1.80	1.70	1.67	1.70
1	2.55	1.95	Pioneer Gold....	200	2.20	2.20	2.20	2.20
No	.03½	.01½	Premier Border ..	2,000	.02	.02	.02	.02
1	.97	.70	Premier Gold....	7,100	.75	.75	.70	.70
No	.63	.44	Privateer Mines..	3,700	.53	.53	.49	.49
1	.02½	.01½	Quatsino Copper.	......	(.01½ bid .... asked)			
1	.37	.10	Reeves McDonald	......	(.28 bid .... asked)			
1	.03	.01	Relief Arlington..	3,000	.01	.01	.01	.01
1	.13	.10	Reno Gold......	3,000	.11	.12	.12	.12
1	*.06½	.04	Sally Mines......	......	(.... bid .... asked)			
50c.	.02¾	.01	Salmon Gold.....	......	(.00¾ bid .01½ asked)			
50c.	1.00	.72	Sheep Creek.....	700	.90	.90	.86	.88
1	.85	.65	Silbak Premier...	......	(.70 bid .... asked)			
No	.00¾	.00¾	Silvercrest......	......	(.... bid .... asked)			
1	*.05	.05	Sunloch.........	......	(.... bid .... asked)			
50c.	.15	.10	Surf Inlet.......	......	(.... bid .12 asked)			
No	.02	.02	Taylor Bridge....	......	(.02½ bid .... asked)			
20c.	.00¾	.00¾	Wellington......	......	(.00¾ May 16)			
50c.	*.00¾	.00¾	Wesko..........	......	(.... bid .... asked)			
1	.02	.00¾	Whitewater.....	......	(.01½ bid .01 asked)			
No	.08	.04½	Ymir Yankee Girl	1,200	.05½	.04½	.04½	.04½

Oil Quotations

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 20 (or last)	High for week	Low for week	Close Oct. 27
1	.09½	.05	Alta. Pac. Cons. .	844	.06½	.07	.06	.07
No	.83	.46	Anglo Canadian..	500	.57	.58	.58	.58
No	.08½	.03½	Anaconda.......	......	(.03 bid .... asked)			
No	.07	.04	Brit. Dominion..	......	(.07 bid .08 asked)			
No	.07½	.05	Brown Oil.......	......	(.06½ bid .... asked)			
No	1.50	1.01	Calgary Ed......	......	(1.22 bid 1.30 asked)			
1	.26	.14	Calmont........	......	(.16 bid .20 asked)			
No	.28	.18	Commoil........	......	(.21 bid .23 asked)			
No	.28	.19	Commonwealth..	......	(.24 bid .32 asked)			
No	.30	.20	Dalhousie.......	......	(.20 bid .... asked)			
No	.16	.13½	Davies Pete.....	......	(.12 bid .... asked)			
No	.04	.02	East Crest......	......	(.... bid .... asked)			
No	.36½	.21	Federated Petroleum	......	(.... bid .... asked)			
No	.85	.41	Foothills........	......	(.60 bid .... asked)			
No	.16	.07	High Sarcee.....	32	.16	.10	.10	.10
No	2.66	1.50	Home Oil........	611	2.25	2.30	2.20	2.25
No	.01½	.01	Madison........	......	(.... bid .01½ asked)			
No	.02	.01	Marjon Oil......	......	(.01 bid .... asked)			
No	.07	.04	McD. Segur Ex. .	2,610	.04½	.04½	.04	.04½
No	.05	.02	Mercury........	500	.04½	.04½	.04½	.04½
No	.09	.04	Mill City Pete...	......	(.... bid .07 asked)			
1	.20	.12	Model..........	......	(.15 bid .... asked)			
25c.	.05½	.04	National Pete....	3,400	.04	.04	.04	.04
1	*.05	.04	Nordon.........	......	(.... bid .... asked)			
No	.75	.40	Okalta.........	......	(.40 bid .45 asked)			
No	.04	.02	Pacalta Oil.....	......	(.02½ bid .03½ asked)			
1	.26	.18	Pacific Petroleums	1,100	.20	.20	.20	.20
No	.15	.04½	Royal Canadian..	......	(.04 bid .05 asked)			
No	*.10½	.06	Royal Crest......	......	(.... bid .... asked)			
No	25.00	17.12	Royalite........	......	(25.00 bid .... asked)			
No	.01½	.01	South End.......	......	(.01 bid .... asked)			
No	.25	.10	Southwest Pete..	......	(.... bid .... asked)			
1	.05½	.02½	Spooner........	......	(.02 bid .... asked)			
25c.	.14	.10	Sunset Oil.......	......	(.... bid .... asked)			
No	.06	.03	United.........	2,000	.04½	.04½	.04½	.04½
No	.04½	.03	Vanalta.........	......	(.03½ bid .04 asked)			
1	.38½	.20	Vulcan.........	......	(.20 bid .25 asked)			

*Quotations for 1940.

Winnipeg Stocks

(Transactions from Oct. 20 to Oct. 25)

	Sales	High for period	Low for period	Close Oct. 25
Beaver Lumber	200	3.00	3.00	3.00
Do., pref.	10	102.50	102.50	102.50
Dominion Envelope, c	10	8.00	8.00	8.00
Federal Grain, pref.	25	36.00	36.00	36.00
Forty Four	1,497	.25	.28	.25
Great West Life	10	190.00	190.00	190.00
Gurney Gold	1,000	.00⅛	.00⅛	.00⅛
Northern Trusts	100	7.50	7.50	7.50
United Grain Growers	45	11.00	10.50	11.00
Western Breweries	30	1.85	1.85	1.85
Western Grain units	15	5.00	5.00	5.00
Winnipeg River Tin	12,500	.00½	.00½	.00½

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	75	..
Can. Indemnity .	150	..
Can. Airways ...	1	..
Corr. P. Box ..	.60	..
Cres. Cream., pf.	11	15
Dom. Envelope, p.	96	100
Fed. Grain, c. ..	.35	1.25
Grouped Inc. ...	..	4⅞
Home Invest. ...	15½	..
Nor. Can. Mtg. p	5½	..
North. Trusts ..	7	8
Traders Bldg. ...	43	..
West. Steel	8¾	10¼

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Oct. 28	3,500	5,400	113,000	......
Oct. 27	5,700	2,800	153,000	14,285
Oct. 25	2,600	3,900	111,000	9,950
Oct. 24	7,100	5,800	185,000	12,445
Oct. 23	6,600	7,600	137,000	19,385
Oct. 22	8,400	12,400	172,000	30,503

Government Bonds

Oct. 29, 1941 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.	Approx. Yld.
Dominion of Canada Bonds				
5	Nov. '41	100	100¼	...
1½	May '42	100½	100¾	.45
2	June '42	100½	101	.35
3	Oct. '42	101¾	102½	.83
2½	June '43	101¾	102½	1.19
5	Oct. '43	106½	106½	1.68
2	June '44	100¾	101½	1.50
a2½	Jan. '44	99	99½‡	2.47
4½	Oct. '44	107½	107¾	1.83
2½	Nov. '44	102	102½	1.70
a2½	Aug. '45	98¾	99½‡	2.70
a4	Oct. '45	104	104½	b1.66
2	Mar. '45	100½	101	1.69
2	Dec. '46	98¾	99½	2.15
4½	Feb. '46	109	109¾	2.09
3½	June '49	102¾	103½	b2.43
3½	Oct. '49	102½	103½	b2.38
3½	Nov. '51	101½	102	b2.94
3½	Feb. '52	101½	102	b2.89
a5	May '52	101¾	‡101¾	b1.47
4	Oct. '52	105¾	106¾	b2.85
3	June '51	99½	100	3.09
3	Oct. '52	98½	99½	3.08
3	June '55	98¾	99½	3.04
4½	Nov. '56	107	107¾	b2.82
4½	Nov. '57	107¾	108½	b2.94
3	June '58	98½	99½	3.05
4½	Nov. '58	108½	109½	b3.04
4½	Nov. '59	109½	110	b3.07
a4	Oct. '60	105¾	‡106½	b3.18
a3½	Jan. '61	98¾	99½‡	3.28
3½	June '66	100¾	101¾	b3.13
a3e	Jan. '67	95½	96‡	3.23
a3e	Nov. '68	95½	96‡	3.22
†3	Perpet'l.	93½	94½	3.17
Dominion Guarant'd Bonds				
Can. Nat'l. Railways:				
2	Feb. '43	100½	101½	1.03
2½	Jan. '46	100½	101½	1.95
3	May '44	102¾	103½	1.56
3	Dec. '50	99½	100	3.00
3	Feb. '53	98	99	3.08
3	Jan. '59	97¾	98½	3.11
*4½	Sept '51	116½	117½	2.48
*4½	Feb. '56	116½	117¾	2.98
4½	July '57	117½	118½	3.00
*4¾	June '55	119	120	2.95
5	Feb. '54	117½	118½	3.16
*5e	July '69	115¾	116½	b.73
*5e	Oct. '69	120	121	b2.64
*5e	Feb. '70	119½	121	b2.72
Grand Trunk Pacific Rly.:				
3	Jan. '62	101	102½	2.83
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	91	93	3.85
3½	Aug. '49	93½	95½	3.92
3½	June '56	94	96	3.85
c4	Nov. '47	101	104	b2.95
c4½	Apr. '61	104½	106½	4.01
c5	Jan. '60	107½	109½	4.20
Nova Scotia:				
3	Jan. '52	95½	97	3.35
3½	June '56	96	98	3.42
3½	Nov. '50	99	100½	3.43
c4½	Sept. '52	108	110	b2.66
c4½	Nov. '60	110½	112½	3.59
c5	Mar. '60	116½	118½	3.61
Ontario:				
2½	May '45	99½	100½	2.35
3	Apr. '48	99½	100½	b2.94
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	100	101	b3.10
3½	May '55	99¾	100¾	b3.16
*4	June '62	108½	110½	3.29
*4½	June '50	109	110	3.15
*4½	Jan. '62	114	116	3.40
5	Oct. '48	110½	111½	3.15
*5	Dec. '60	121	123	3.35
5½	July '46	110½	111½	3.05
Ont. Hydro Commission:				
3	Aug. '48	99½	100	b3.00
3½	Feb. '53	100	101	b3.11
3½	Apr. '47	101½	102½	2.99
Prince Edward Island:				
4	Mar. '54	100	101½	3.84
Quebec:				
3	Nov. '47	96½	98	3.37
3½	Mar. '48	96½	98½	3.51
3½	Mar. '59	94½	96½	[illegible]
4	Nov. '52	100½	102	[illegible]
3¾	Feb. '55	98	99½	[illegible]
4½	Aug. '58	102	104	[illegible]
4½	Jan. '63	105½	107½	[illegible]
Alberta:				
4	Dec. '54	61	65	d
4½	Oct. '51	66	70	d
4½	Oct. '56	63	67	d
*5	Oct. '59	64	68	d
c5½	Apr. '52	67	70	d
6	Mar. '47	69	72	d
British Columbia:				
c4	Dec. '57	99	103	[illegible]
*4½	Jan. '51	105	108	[illegible]
c4½	Oct. '53	105	108	[illegible]
c5	Apr. '54	108	112	[illegible]
5½	Feb. '45	103	107	[illegible]
6	Feb. '47	105	109	[illegible]
Manitoba:				
c4	Dec. '57	94	98	[illegible]
c4½	Dec. '56	95½	99½	[illegible]
*5	Dec. '59	100	104	[illegible]
5½	Oct. '55	100	104	[illegible]
6	Apr. '47	101	105	[illegible]
Saskatchewan:				
4	Sept. '54	75	79	[illegible]
4	Nov. '60	74	78	[illegible]
c4½	Oct. '51	85	89	[illegible]
c4½	Mar. '60	81	85	[illegible]
5	Aug. '58	85	89	[illegible]
5½	Oct. '52	89	93	[illegible]
6	Mar. '52	91	95	[illegible]

*–Payable Can., N.Y. and £. b–Calculated to call date giving lowest possible yield. c–Payable Can. & N.Y. e–Payable N.Y. †–Callable on or after Sept. 15, 1966. d–Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. a–Callable at a premium. ‡–N.Y. funds.

Unlisted Stocks

Oct. 28, 1941 (Furnished by A. J. Pattison Jr. & Co., Toronto)

Industrials:	Bid	Ask.
Acme Farm., pf.	38	43½
Andian National	29½	31
Anglo C. Tel., A	7¾	8½
Atlas Steel	20½	..
Barrymore, pfd.	30	..
B. C. Pulp, c. ..	11¾	13¾
Do., pfd.	65	71
B. C. Sugar	74	76½
B. C. Tel., 1st p.	111	114
Brown, pfd.	33½	34¾
Burns & Co., A	5	6½
Do., B	2	3
Can. Co-op. Wl.	8	..
Can. Indust., A .	173	..
Can. Ing. Rand	75	77
Can. Mot. L.A.B.	2¾	..
Can. Tube, 1st p	84	..
Chase, A. W., p.	18	20
Claude Neon, p.	3½	4½
Colonial Steam..	26	28½
Copeland Fl. un.	12	14
Colonial Realty	2	..
Dunlop T. p. $25	21	22
Easy Wash. p $10	10½	11½
Galt Brass, c. ..	8	..
Goderich Elev. .	6¾	7½
Guelph Carp., c.	18	20
Gurney Fdry., p	1½	1¾
Hayes Steel, c. .	14	16½
Hi'land Dairy, p	48½	51
Homewood San.	100	108
Inglis, John	5	6
Ingram & Bell p	95	..
Kingst. Ship. un	31	33½
Do., com.	4	5
Loblaw, Inc., c..	10¾	11¾
Minn. & Ont. P. c	4½	4¾
M'row Screw, p.	104	106
Do., com.	12½	..
Moirs, Ltd.	19½	21½
Morrison Br. un	4½	6
Mt. R. Hotel, c.	2½	3¾
N. B. Tel., c. ..	10½	12½
Neilson, Wm. p.	100	..
N. Meth. Ldy. p	56	58½
Ont. Jockey C. .	800	900
Ont. Tobacco, p	17	19½
Pac. C. Term. c.	...	9
Prov. Paper, pf.	101	103¾
Quinte Milk ...	2½	3½
Ruddy, E. L., p.	22	25
Stand. Fuel, p. .	52½	56
Stedman, pf. $50	57	59½
Sutton Horsley .	1	1½
Tor. Carpet, c. .	40	..
Do., pfd.	65	70
Un. F. Co-op. ..	2¾	3½
Un. Steel A pf.	23½	25
Viceroy Mfg., c.	12¾	..
Trusts & Loan Stocks:		
Brit. Mtge.	127	134
Brockville Tr. .	41	..
Capital Tr.	30	32½
Comm. Fin., c. .	3¾	..
Grey&Br. Tr. $50	41	45
Guaranty Trust.	100½	103½
Guelph & O. $50	50	53½
Indust. Mtge. ..	24	..
Lambton Loan .	30	33½
Midland Loan .	14	16
Premier Trust .	..	43
Sherbrooke Tr..	120	..
Sterling Trust .	51	56
Th. Can. Inv. Tr.	1¾	..
Traders Fin. A c	6	8
Do., A pfd. ..	74	79
Trusts & Gr. new	38	42
Victoria Trust .	71	75
Waterloo Trust .	99	..
Insurance Stocks:		
Canada Life ...	375	385
Brit. Amer.	50	52
Canadian Fire .	80	84
Confed. 30% pd.	130	135
Continental L. .	35	40
Crown, fully pd.	265	285
Dominion Fire .	139	145
D. of Can. Gen.	115	120
Empire, 25% pd.	5	6
Excelsior 38% pd	70	75
Federal, 25% pd.	51	..
Great-West Life	195	200
Halifax Fire ...	16½	18
Imperial Life ..	280	290
Manufac. Life ..	210	225
Monarch Life ..	33	35
National Life ..	..	19
Sov. L. 25% pd.	12½	..
Sun Life	285	300
Tor. General ...	41	5
Wellington Fire.	58	..
Western Assce. .	43	46
Theatre Stocks:		
Allen's King. un	61½	65
Do. St. Cath. un	52	..
Loew's London p	2¾	3½
Mansf. Theat. p.	28½	30
Para. Kitch., p.	50	..
Do., Oshawa, c	8	10
Investment Trust Shares:		
Can. Investors .	4	5
Inv. Found. un.	42½	44½
Sec's. Hold., pf.	18	20½
United Corp., A	20½	22½
Do., B	7	8
Power Issues:		
Can. W. N. Gas	26	..
Do., pfd.	101	103
Gt. Lakes Pr., p.	102½	106
Mtl. Is. Pwr., p.	40	..
Nor. Ont. Pr. p.	70	78

Unlisted Mines

Toronto, Oct. 28, 1941

	Bid	Ask
Albany R		
(old)	.03	.05
(new)	.09	.11
Amal K	.07	.07¾
Anoki	.03	.04
Aquarius	.20	..
Arjon	.04½	.05½
Armistice	.13	.16
Argosy	.06	.08
Area	.03	.04
Athona		
(old)	.01	.02
(new)	.02	.03
Barb L	.02½	.03
Bilmac	..	.02
Brock	.06	.08
B Bear	..	.03
Cald Bo	.02½	.04
Can Rad	.08	.10
Cent M	.02	.02½
Cheminis	.03	.03½
Coin La	.02½	.03½
Cons Ch	.04	.06
Crescent	.00½	.01
Crosco't	.10	.13
Dayton	.01	.02
Delpine	.12	.14
Demp C	.01	.02
Denovo	.10	.12
Desant n	.09	.12
Dona P	.00¾	.01½
E Laco'a	..	.01
E'ward	.09	.12
Elmos	.06	.08
Franco	.27	.33
Galore	.01	.01½
Gate Pat	..	.01
Goodrock	.09	.10
Gilbec	.00½	.01
Hay Cad	.02½	.03
H'ridge	..	.08
Hoyle n	.16	.17
Hu P&P	.05	.07
Hutch L	.01½	.02
Jasper	.02	.12
Keora	.01	.02
Kenricia	.01	.01½
Kewag	.01	.02
Kiena	.01	.02
Kirk Ga	.00¾	.01½
Lacoma	..	.01
Laguerre	.30	.33
La Duf	.16	.19
La Gen	.09	.11
Largold	.20	.23
Lw Pete	.12	.16
Magn C	.80	.84
Magn L	.18	..
Mart B	.03	.04
Margar	.08	..
Ma Can	.03½	.04½
Ma Con	.18	.21
McMar	.30	.33
MofHal n	.01½	.02
Mooshla	.02	.02½
Mosher	.15	.16
McMan	.01¾	.02½
Nat Mal	.27	.30
New Aug	.25	.28
Nick O	.70	.85
Norbeau	.20	.23
Northland		
(1940)	.03	.05
Norwin	.03	.05
New Mal	..	.18
Nu'lake	.09	.11
Oklend	.04	.05½
O'Leary	.03	.04
Opem'ka	.06	.08
Oriole	..	.01
Orpit	.10	.12
Ossian	.00½	.01
Pascalis	.22	.25
Pontiac R		
(old)	.02	.04
Pelangio	.02	.03
Phoenix	.01	.02½
Polaris	..	.05½
Proprietary		
ex-div.	4.35	4.55
Presdor	.07½	.07¾
Queb M	.16	.18
Rahn L	.01	.01½
Mand M	.12	.14
Red La	.01	.02
Ritoria	.03½	.03¾
Ribago n	.00½	.01
Rouge D	.05	.08
S.A.G.A.	1.00	1.25
Sachigo	4.00	4.25
Sanshaw		
Special	..	.07
Senore	..	.08
Shenango		
(new)	..	.17
Sheldon	.04	.05½
Skynner	.01½	.02½
Smelt G	.00½	.01
Sunbeam	..	.01½
Springer	.22	.24
Sta'cona	.08	.11
Thomson	.12	.14
Treaty P	..	.05
Union M	.03½	.04
Tobico	.07	.10
West R	.00½	.01
Wesley	.02½	.03
YDavid	.23	.30

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Oct. 28, 1941

Public Utility Issues:	Int. Rate %	Due	Bid Oct. 28	Asked	Bid Oct. 21
▲†Alg. C. H.B.R.	5	'59	11	13	11
†Assoc. Tel. & T.	5½	'55	68	71	67½
B. C. Power ...	4½	'60	99½	101½	99½
B. C. Tel.	4½	'61	106	108	105½
†Calgary Pwr. ..	5	'60	106	108	106
Do.	5	'64	103	105	103
†Can. Nor. Pwr. .	5	'53	102	104	101½
*Dom. Gas & El..	6½	'45	102	104	102
Gatineau Pwr. .	5	'49	99½	101½	99½
*Do., A	3¾	'69	98½	100½	98
‡Do., B	3¾	'69	98	100	98
Gt. Lakes Pwr..	4½	'56	100½	102½	100½
Do.	5	'57	98	101	97½
*Int. Hydro-El. .	6	'44	40	43	38½
▲Inter. Power ..	6	'55	101¾	103½	101½
L. St. Law. Pwr.	5	'55	98½	101½	98
Macl'n-Que. Pr.	4	'59	98½	100½	98
Mtl. L. H. & Pr.	3½	'56	103	105	102½
Do.	3½	'73	101	103	100½
Do.	3½	'63	101½	103½	101
†Mtl. Tramways.	5	'41	97	99	96½
†Do.	5	'55	69	71	68
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr. ...	4	'57	101	...	101
Ottawa L.H.&P.	4	'57	101	...	101½
Ottawa V. Pwr.	5	'59	101½	103½	101½
†Power Corp. ...	4½	'59	95	98	94½
Quebec Pwr. ...	4	'62	102	104	102
*Saguenay P. ...	4½	'66	107	110	107
‡Do., B	4½	66	104½	...	104½
St. Maurice Pr..	4½	'70	102	104	102
Shaw. W. & Pr.	4	'61	103	105	102½
Do.	3½	'46	100	102	100
Do.	4	'69	102½	104½	102
Union Gas	4½	'50	102	104	102
*Twin C. R. Tr. .	5½	'52	69½	72½	68½
†United Secs. ...	5½	'52	40	43	40
‡Wpg. El. ser. A.	5	'65	78	81	77½
Do., B	5	'65	60½	63½	58
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	65½	68½	65
Do., C.O.D. ..	5	'53	65½	68½	65
Acadia Sugar ..	4½	'55	101½	...	102
Do.	6	'54	98½	101½	98
†Alta. Pa. Grain.	6	'46	101	103	101
Algoma Steel ..	5	'48	103	106	103½
Atlantic Sugar .	4	'51	101	...	101
†B. C. Pulp & P.	6	'50	94½	97½	94
‡†Do.	7	'50	115	118	114½
*Brown Co.	5½	'46	69½	72½	..
Burns & Co.	5	'58	67½	70½	63½
Canada Cement	4½	'51	103½	105½	103
Canada Electric	4½	'65	96	99	95½
Can. Paper	4½	'52	101½	103½	101½
[illegible]					
Col. Steamships	6	'54	99	102	99
†Consol. Paper..	5½	'61	..	..	75
Dom. Coal	4½	'52	101	...	101½
Dom. Scott. Inv.	4	'52	95	98	95
Dom. Stl. & C..	6½	'55	105	108	105
Dom. Tar	4½	'51	102½	104½	102½
Dom. Woollens.	6	'53	97	100	97
†Donnacona Pap.	4½	'56	79½	82½	79½
*Dryden Pap. ...	6	'49	100½	103½	100½
†East. Dairies ..	6	'49	84	87	84½
Famous Players	4½	'51	99½	101½	99
†Federal Grain .	6	'49	101	103	101
†Fraser Cos.	6	'50	101	...	101½
Galt Brass	5	'50	91	..	90
Gen. Stl. Wares	4½	'52	100	102	100
*Gt. L. Paper ..	5	'55	95	97	95
*Gurney Fdry. ..	5½	'49	76½	79½	74½
†Gypsum Lime .	5½	'48	101	103	100
Ham. By-Pr. C.	5	'55	102½	104½	102
Do.	6	'56	100	103	100
Ham. Cotton ..	4½	'50	100½	102½	100
Inter-City Bak.	5½	'48	102	...	102
Indust. Accept..	4	'52	78	81	78
Ins. Ex. Bldg. .	3	'51	42½	45½	42½
*Inter. P. Nfld. .	4½	'68	90	..	90
*Inv. Bond & Sh.	5	'47	42½	45½	42½
†Kingston Elev. .	6	'50	105	107	104
Lake St. J. P. ..	5½	'61	90½	93½	89
Do.	5	'61	69	72	67
Legare	6	'61	87	90	85½
Maple L. M. ...	3	'58	77	80	75½
Man. Sugar	5	'60	100½	102½	100½
Massey-Harris .	4½	'54	94	97	93½
McColl-Fron. ..	4½	'49	102	104	102
McCormicks ...	4	'52	95½	98½	95½
Do.	4½	'53	103	...	103

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & Co., Toronto)

Oct. 28, 1941

Miscellaneous Stocks:	Bid Oct. 28	Asked	Bid Oct. 21
†Allens Tor. Th., p.	33	35	22½
Atlas Steel, 7% pfd. ..	104	106½	103½
Brantford Roofing, c. .	1¾	2½	1½
Brinton Peterboro Cpt.	33	36	31
Brown Co., new com. .	2	2½	1.90
Do., new p.	33¾	35	33½
Can. Col. Airways	3	3¾	3½
*Can. Gen. Rubber, pfd.	25½	27½	25
Can. Mach., new c. ...	7	8	6¾
C.P.R., 4% pfd. (par)..	2½	3½	1.50
Cap. Wirecloth, p.	21½	23½	20
Cawthra Apts., pfd. ..	1¾	2½	1.60
Corrug. Paperbox, c. ..	.70	.95	.55
Dom. Life, 70% pd.	160	185	165
Dover Industries	6½	6¾	6½
†Fort W., Hotel, units ..	44	50	43
Galt Brass, c.	9	10	9½
Imperial Varnish, c. ...	9½	10½	9½
Indust. Accept., 5% p. .	71	74	70
Inter. Util., 1.75 pfd. ..	14	16	13½
Do., 3.50 pfd.	39	42	36½
London & West. Trusts	34½	36½	34
McManus Petrol., p. ..	7¾	10	7½
*Monarch Mtge. Inv. un.	.40	.50	.35
Murphy Paint, com. ...	9	10	9.10
Do., pfd.	89½	91½	89
Nat. Hosiery, pfd.	.75	.90	.70
†N. Amer. Elevator, p. .	75	..	73
St. John Dry D., p.	99	101½	99½
Seal-o-Sac	.70	1.00	.75
Tip Top Tailors Inc., p.	14	15½	13¾
Traders Finance rts. ..	12¾	13¾	12½
Waterloo Mfg., new c. .	.50	.90	.40
Wentworth Radio, p. ..	2	3.50	2½
West Can. Hydro, p. ...	10½	11½	10½
West. Life, 10% pd. ...	8¾	9½	9.10

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate	Due	Bid Oct. 28	Asked	Bid Oct. 21
Mercury Mills .	5	'59	95½	98½	94½
Mersey Paper ..	5	'57	98	101	98
†Do.	6	'49	99	102	99
*M. & O. Paper .	5	'60	..	..	91
Moirs Ltd.	6	'53	87	..	87
‡Mtrl. Drydocks.	6	'48	80	83	71
Montreal Apts. .	4	'54	53½	56½	54
Nat. Grocers ...	4	'47	101	...	101
N. S. Stl. Coal .	3½	'63	83	86	83½
Price Bros.	5	'57	98	101	98
Do.	4	'57	85½	88½	84½
*Prov. Paper ...	5½	'47	105	...	105
Reliance Grain.	4½	'52	96	99	96
†Restigouche Co.	6	'48	100	...	100
[illegible]					
United Corp. ..	5	'53	91½	94½	92
*United Gas	5½	'48	104½	...	104½
United Gr. Grs..	5	'48	97	100	97
†Western Grain .	6	'49	64½	67½	64

*Payable in Can. or U.S.
†Payable in Can., U.S. or U.K.
*Payable in U.S.
‡Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U.K.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.23	2.44
Can. Amer. Trust	3.00	3.45
Can. Inter. Trust	4.00	4.75
Can. Invest. Fund	3.15	3.50
Corporate Investors	5.63	6.05
Trans-Canada	9.95	10.85

Municipal Bonds

Oct. 28, 1941

	%	Due	Bid	Ask	Yld. %
†Halifax ...	5	1961	112.00	115.00	3.91
Hamilton	5	1950	109.25	112.25	3.35
Montreal ..	5	1945	94.50	95.50	6.50
Ottawa ..	4½	1945	104.65	107.15	2.50
†Quebec ..	5	1959	106.00	108.00	4.35
Saint John	5	1950	103.00	105.00	4.33
†Toronto ..	4½	1955	109.00	112.50	3.35
†Vancouver.	5	1950	104.00	108.00	3.85
Winnipeg	5	1944	102.00	104.00	3.65

†Payable Can. & N.Y.

Mining Dividends

	Rate	Oct. 27	Yield %
Anglo-Huronian	▴10c	2.65	..
Aunor Gold	16c	1.85	8.5
Beattie Gold	16c	1.06	15.1
Bralorne	80c+40c	10.50	*11.4
Brazilian Porc.	12c	.68	17.6
Buffalo Ankerite	▴30c	4.00	..
Bulolo Gold	$3	18.50	16.2
Can. Malartic	8c	.52	15.4
Cariboo Gold	16c+8c	2.15	*11.1
Central Patricia	16c+6c	1.53	*14.3
Chesterville	10c	1.69	..
Cochenour Willans	3c	.63	..
Coniagas	▴17½c	1.27	..
Coniaurum	16c	1.23	13
Cons. Smelters	$1+$1.50	38.75	*6.5
Delnite	▴3c	.68	..
Dome Mines	$2	19.00	10.5
East Malartic	▴20c	2.10	..
Falconbridge	15c	3.40	..
Francoeur Gold	▴4c	.46	..
Goldale	‡2c	.12½	..
Gold Belt	▴2c	.23	3
Grandview	▴1½c	.15¾	..
Gunnar Gold	6c	.23	..
Hallnor	60c	3.50	17.1
Hard Rock	▴5c	.70	..
Hedley Mascot	8c	.47	17
Hollinger	65c+45c	11.00	*10
Howey Gold	▴4c	.23½	..
Hudson Bay	$2	26.75	7.5
Inspiration	†2c	.40	..
Inter. Nickel, com.	$2	34.12	5.9
Island Mountain	▴8c	1.20	..
Jason	†2c	.32	..
Kerr Addison	▴27c	4.40	..
Kerr Lake	‡10c	.25	..
Kirkland Lake	10c+1c	.66	*16.6
Kootenay Belle	▴8c	.20	..
Lamaque Gold	40c+15c	4.25	*12.9
Lake Shore	$1.40	12.00	11.7
Leitch	8c	.43	18.6
Little Long Lac	▴10c	1.62	..
Macassa	32c+3c	3.60	*9.7
Madsen R. Lake	▴3c	.60	..
Malartic Gold	†5c	2.18	..
McGillivray Coal	‡3c+1c	.25	..
McKenzie Red L.	12c	1.00	12
Moneta	8c	.29	..
McIntyre-Porc.	$2.22+$1.11	48.25	*6.2
MacLeod-Cockshutt	‡20c	2.08	..
Naybob Gold	4c	.22	..
Negus	†5c	.60	..
Nipissing	15c	1.16	12.9
Noranda	$4	51.50	7.8
North Empire	▴20c	3.75	..
O'Brien Gold	10c	1.26	..
Pamour Porc.	12c	1.06	11.3
Pato Cons.	20c+2c	2.85	*7.7
Pend Oreille	‡6c	1.70	..
Perron Gold	16c+9c	1.55	*16.1
Pioneer, B.C	40c	2.17	18.4
Pickle Crow	40c	2.70	14.8
Placer Develop.	$1.20	9.00	13.3
Premier	11c	.71	15.5
Preston E. Dome	20c+10c	3.20	*9.4
Privateer Mines	12c+4c	.49	..
Quebec Gold	‡2c	.25	..
Reef Arlington	3c	.01	..
San Antonio	14c+6c	2.30	*8.6
Sheep Creek	16c	.86	18.6
Sherritt Gordon	10c	.93	..
Sigma Mines	▴30c	7.10	..
Silbak Premier	16c	.70	22.8
Siscoe	▴6½c	.53	..
Sturgeon River	4c	.14	..
Sudbury Basin	▴2½c	1.53	..
Sullivan Cons.	▴5½c	.67	..
Surf Inlet	▴2c	.10	..
Sylvanite Gold	28c	2.25	12.4
Teck-Hughes	40c	2.53	*15.8
Toburn	12c+6c	1.20	*15
Upper Canada	▴11c	1.43	..
Ventures	▴10c	4.20	..
Waite Amulet	▴20c	4.50	..
Wendigo	3c	.17	..
Wright-Harg.	40c+20c	2.80	*21.4
Ymir Yankee	2c	.04½	..

‡Paid in 1940. ▴Paid or declared payable in 1941 to date.

*Yield including bonus. †Initial.

Dividends Declared

	This payment	Date payable	Date of record
Amalgamated Oils	■*4c	Nov. 15	Oct. 31
Anglo-Can. Tele., p	68¾c	Nov. 1	Oct. 15
Assoc. Tele., pfd.	†56c	Nov. 15	Nov. 1
Do., $6 pref.	†48c	Nov. 15	Nov. 1
Ault & Wiborg, p.	$1.37½	Nov. 1	Oct. 15
Aluminum, com.	$2	Dec. 5	Nov. 15
Do., special	$2	Dec. 5	Nov. 15
Do., pref.	†$1.50	Dec. 1	Nov. 8
Aunor Gold	4c	Dec. 1	Nov. 15
Bank of Montreal	$2	Dec 1	Oct. 31
Blue Ribbon, pfd.	62½c	Nov. 1	Oct. 20
Bank of Toronto	$2.50	Dec. 1	Nov. 15
Brazilian Tr., ord.	40c	Dec. 22	Oct. 15
Beatty Bros., 1st pf.	$1.50	Nov. 1	Oct. 15
Bathurst Pr., A	25c	Dec. 1	Nov. 14
Do. extra	25c	Dec. 1	Nov. 14
B.C. Tele., 2nd pf.	$1.50	Nov. 1	Oct. 17
Broulan Porc	3c	Oct. 30	Sept. 30
Calgary Power, pf.	$1.50	Nov. 1	Oct. 15
Can. Indust., A, B	$1.50	Oct. 31	Sept. 30
Can. Bk. of Comm.	$2	Nov. 1	Sept. 30
Can. For. Inv., com.	$1.20	Nov. 1	Oct. 15
Can. For. Inv., pfd.	$2	Jan. 1	Nov. 15
Can. Ind. Alc., A, B	15c	Dec. 1	Nov. 20
Cel. of Amer. pfd.	†$1.75	Jan. 1/42	Dec. 16
Do., part. pfd.	†$3.50	Dec. 31	Dec. 16
Can. Converters	50c	Oct. 31	Sept. 30
Cons. D. Std. Sec. p	37½c	Dec. 15	Nov. 29
Commonw'th Pet.	3c	Nov. 10	Oct. 18
Can. Bronze	37½c	Nov. 1	Oct. 20
Do., pref.	$1.25	Nov. 1	Oct. 20
Can. Oil, c.	12½c	Nov. 15	Nov. 1
Do., extra	12½c	Nov. 15	Nov. 1
Can. Tube & Stl., p.	$2	Oct. 31	Oct. 25
Coast Brew.	3c	Nov. 1	Oct. 9
Can. Investors	10c	Nov. 1	Oct. 18
Can. Forgings, A	37½c	Dec. 15	Dec. 1
Confederation Life	$1.50	Dec. 31	Dec. 25
Commonw'th. Inter.	4c	Nov. 15	Oct. 15
Crown Cork	50c	Nov. 15	Oct. 31
Crow's N. Coal	■$1.50	Dec. 2	Nov. 7
Can. Inv. Fd., sp. ord.	4c	Nov. 1	Oct. 15
Cosmos Imperial	30c	Nov. 15	Oct. 31
Commoil	1c	Nov 27	Nov. 12
Corr. Pap. Box, pf.	$1.75	Dec. 1	Nov. 15
Do., arrears	$1.75	Dec. 1	Nov. 15
Dom. Bridge	30c	Nov. 25	Oct. 31
Dom. & Anglo In. p	$1.25	Dec. 1	Nov. 15
Dom. Oilcloth	30c	Oct. 31	Oct. 16
Do., extra	10c	Oct. 31	Oct. 16
Dist.-Seagram, pf.	†$1.25	Nov. 1	Oct. 15
Dominion Bank	$2.50	Nov. 1	Oct. 20
Dominion Tar, p.	$1.37½	Nov. 1	Oct. 14
Dover Indust.	20c	Nov. 1	Oct. 15
Federal Grain, p.	$2	Nov. 1	Oct. 15
Gen. Steel W., p.	$1.75	Nov. 20	Nov. 8
Granby Elastic Web p	69c	Nov. 1	Oct. 15
Granby Cons. M.	†■15c	Dec. 1	Nov. 14
Hedley Mascot	2c	Nov. 15	Oct. 24
Humberstone Shoe	25c	Nov. 1	Oct. 20
Howey Gold	2c	Nov. 1	Sept. 30
Hart Battery	5c	Oct. 31	Sept. 30
Hollinger Cons.	5c	Nov. 4	Oct. 21
Do., extra	5c	Nov. 4	Oct. 21
Int. Paper, p. arrears	†$5	Nov. 15	Nov. 7
Imperial Bank	$2.50	Nov. 1	Sept. 30
Int. Nickel, pfd.	†$1.75	Nov. 1	Oct. 2
Inter. Util., p.	*†87½c	Nov. 1	Oct. 20
Int. Metals, pf. A pf	$1.50	Nov. 1	Oct. 15
Do., arrears	$3	Nov. 1	Oct. 15
Italo Arg. Elec.	‡3.50 pes.	Nov. 10	Oct. 31
Leitch Gold	2c	Nov. 15	Oct. 31
Loblaw Groc. Inc.	†25c	Dec. 1	Nov. 14
Langley's, pref.	■50c	Dec. 12	Dec. 3
Loblaw Groc., A, B	25c	Dec.	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
Madsen R. Lake	3c	Dec. 1	Nov. 10
McIntyre Porc.	55½c	Dec. 1	Nov. 1
Do., extra	$1.11	Jan. 2	Nov. 1
McKen. R. Lake	3c	Dec. 15	Dec. 1
Melchers Dist., p.	30c	Dec. 15	Dec. 1
Mtl. L. H. & Pr.	37c	Oct. 31	Sept. 30
Mtge. Corp. N. S.	$1.25	Nov. 1	Oct. 24
Nipissing Mines	■15c	Dec. 11	Nov. 15
Nat. Biscuit	†40c	Jan. 15	Dec. 18
Do., pref.	†$1.75	Nov. 29	Nov. 14
Ont. Steel	25c	Nov. 15	Nov. 3
Do., pref.	$1.75	Nov. 15	Nov. 3
Ont. Silknit, pfd.	$1	Nov. 15	Nov. 1
Perron Gold	■4c	Dec. 20	Dec. 1
Do., extra	■6c	Dec. 20	Dec. 1
Penmans	75c	Nov. 15	Nov. 5
Do., pref.	$1.50	Nov. 1	Oct. 21
Privateer Mine	3c	Nov. 10	Oct. 25
Do., extra	1c	Nov. 10	Oct. 25
Proprietary Mines	20c	Nov. 5	Oct. 29
Quebec Power	25c	Nov. 25	Oct. 24
Rolland Paper	15c	Nov. 15	Nov. 5
Do., pref.	$1.50	Dec. 1	Nov. 15
Regent Knit., pfd.	40c	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
Royal Trust	80c	Nov. 1	Oct. 20
San Antonio Gold	7c	Nov. 5	Oct. 20
Do., extra	3c	Nov. 5	Oct. 20
Steel of Can.	75c	Nov. 1	Oct. 7
Do., pref.	75c	Nov. 1	Oct. 7
Saguenay Pwr. p	$1.37½	Nov. 1	Oct. 15
South. Can. Pwr., c.	20c	Nov. 15	Oct. 31
Simpsons, pref.A	$1.62½	Nov. 1	Oct. 17
St. Law. Flour	25c	Nov. 1	Oct. 20
Do., pref.	$1.75	Nov. 1	Oct. 20
Shawinigan W.	22c	Nov. 25	Oct. 24
Sullivan Cons.	2½c	Nov. 15	Oct. 15
Sherritt Gordon	5c	Dec. 15	Oct. 31
Toburn Gold	3c	Nov. 22	Oct. 22
Do., extra	1c	Nov. 22	Oct. 22
Toronto Elev.	$1	Nov. 7	Oct. 25
Do., pref.	66c	Dec. 6	Nov. 25
Un. Gold Eq., st. c.	6c	Dec. 30	Dec. 19
Un. Bond & Share	15c	Jan. 15/42	Dec. 30
United Corp., A	37c	Nov. 15	Oct. 15
United Fuel, p. A	75c	Jan. 2	Dec. 20
Union Gas	20c	Dec. 15	Nov. 20
Union S. S., B. C.	*25c	Oct. 15	Oct. 1
Walkerville Brew.	5c	Nov. 25	Nov. 15
Wood, A. & J., pfd.	$1.75	Nov. 1	Oct. 20
Weston, G., pref.	$1.25	Nov. 1	Oct. 15
Zellers	20c	Nov. 1	Oct. 15
Do., pref.	37½c	Nov. 1	Oct. 15

†Payable in U. S. funds.

■Subject to approval of Foreign Exchange Control Board.

*Subject to approval of S. E. C.

*Initial.

‡Less 5% Argentine tax.

Return of Good Weather Pushes Wheat Deliveries

From Our Own Correspondent

WINNIPEG. — Recent improvement in weather has been followed by a rush of new wheat to country elevators. Threshing, interrupted by continuous rains early in the season, has now been completed over wide areas. Daily deliveries at times during the past week have been over two million bushels, in spite of the fact that a considerable number of points, quotas and congested elevator space prevented maximum movement.

These accelerated deliveries, and comparatively limited exports, pushed the visible supply last week almost to the 500 million bushel mark, which, although frequently in sight, was never reached during the past crop year.

A considerable part of recent deliveries has gone to the Wheat Board instead of to the open market. In Manitoba and Saskatchewan the latter offers a slight price advantage compared with the Wheat Board initial price. In Alberta, however, where Wheat Board prices are based on the Vancouver freight rate, and open market prices on considerably higher freight rate to the head of the lakes, the Wheat Board has an advantage on top grades.

Agriculture Minister Gardiner recently repeated his advice to farmers to deliver to the Wheat Board, instead of selling on the open market. He intimated that the Wheat Board might ultimately sell its wheat at much higher prices than those which now prevail, enabling a return to be made on participation certificates. Most farmers, however, do not now put very high the ultimate value of participation certificates. They seem willing to sell on the open market when it offers three cents or better a bushel more than the Wheat Board initial price.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 314

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the FIRST day of DECEMBER next, to Shareholders of record at close of business on 31st October, 1941.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on MONDAY, the FIRST day of DECEMBER next.

The Chair to be taken at noon.

By Order of the Board.

JACKSON DODDS, General Manager. G. W. SPINNEY, General Manager.

Montreal, 21st October, 1941.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the tenth day of December, 1941, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 23rd October, 1941.

The Royal Bank of Canada

DIVIDEND NO. 217

NOTICE is hereby given that a dividend of two per cent (being at the rate of eight per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Monday, the first day of December next, to shareholders of record at the close of business on the 31st day of October, 1941.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que., October 14, 1941.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share on the Outstanding No Par Value Shares of this Company has been declared for the Quarter ending 31st October, 1941, payable 25th November, 1941, to Shareholders of record at the close of business on the 31st October, 1941.

By Order of the Board,

F. W. EVENS,
Secretary.

Montreal, Que.,
28th October, 1941.

Aunor Gold Mines Limited

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Four (4c) Cents per share, payable in Canadian Funds, has been declared by the Directors of AUNOR GOLD MINES LIMITED, payable December 1st, 1941, to shareholders of record at the close of business November 15th, 1941.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, October 27, 1941.

The Corrugated Paper Box Company, Limited

Preferred Stock Dividends
Nos. 26 and 27

Notice is hereby given that dividends Nos. 26 and 27 of 1¾% each have been declared on the Preferred Stock of the Company, payable on the 1st day of December, 1941, to shareholders of record at the close of business on the 15th day of November, 1941.

Dated the 24th day of October, 1941.

J. A. WHEALY,
Secretary.

DIVIDEND NOTICE
COMMOIL LIMITED

NOTICE is hereby given that a Dividend of 1c per share has been declared on the outstanding no par value shares of the Company, payable November 27th, 1941, to shareholders of record at the close of business, November 12th, 1941.

The Transfer books of the Company will not be closed.

By Order of the Board.

G. J. McKAY,
Secretary.

October 21st, 1941.

Wellington Building Corporation Limited

(United Bond Company Limited Loan W-71)

To the Holders of $425,000.00 First Mortgage Gold Bonds of Wellington Building Corporation Limited

TAKE NOTICE that under and by virtue of an order made by the Supreme Court of Ontario, payment in Canadian Funds of six months' interest to July 5th, 1936, together with interest thereon to November 15th, 1941, at the rate of six and one-half percentum per annum, will be made by the undersigned on and after November 15th, 1941, upon presentation of the Bonds for endorsement of interest thereon.

Dated this 30th day of October, 1941.

THE LONDON AND WESTERN TRUSTS COMPANY LIMITED
Receiver and Manager
300 Bay Street Toronto

Brompton Eyes Lake Sulphite

Negotiating With Ontario Government and Others on Property

From Our Own Correspondent

MONTREAL. — Brompton Pulp and Paper Co. has taken an interest in affairs of the bankrupt Lake Sulphite Pulp Co.

Hon. Norman Hipel, Ontario Minister of Lands and Forests, says that Brompton is negotiating with the Ontario government and other interests to take over the company and open it as a sulphate producer.

Interests close to the company confirm that negotiations are taking place, but say these have not progressed to a point permitting an official statement.

Receiver in Charge

The Lake Sulphite Pulp plant at Red Rock, Ont., was never completed. Because the capital expenditure planned was far in excess of what was originally proposed, it was found impossible to complete the financing. As a result, the company went into receivership in February, 1938.

The assets of Lake Sulphite comprise cutting rights on approximately 2,200 sq. miles of timberlands, land and premises at Red Rock, and Nipigon; and all the capital stock of Nipigon Corp.

Liabilities of the company include $1,250,000 of 10-year, 6% convertible notes; $2,200,000 of secured and partly secured creditors; $800,000 of unsecured creditors. These figures do not include the common stock interest which represents a large capital outlay.

Liquidation Urged For Inter. Utilities

S.E.C. Counsel Calls on Holding Company to Justify Existence

Liquidation of International Utilities Corp. was proposed by S. E. C. Counsel F. Donald Daum at the investigation into questions of salary payments and agreements of the corporation. Mr. Daum's proposals, backed by the statement that the corporation serves no useful purpose but complicates the operation of the working subsidiaries, was objected to by the counsel for the corporation and has been removed from the record.

Removal of the Daum proposal from the record would indicate that liquidation of the system is not an immediate possibility, but Mr. Daum further stated that unless the company satisfactorily showed at the hearings that liquidation was not necessary, the public utility division of the S. E. C. would ask the S. E. C. to enter a formal order requiring dissolution.

Hearings on the salary question have been proceeding for the investigation of contracts between the company and W. B. Yeager and P. M. Chandler, present and former presidents of the corporation.

Canadian Cottons Sales Higher

From Our Own Correspondent

MONTREAL. — Sales of Canadian Cottons Ltd. in the year which began April 1 are running ahead of the same period last year, The Financial Post understands. Current production is at about the same rate as last year.

Prediction of future operations is rendered uncertain by the price and wage fixing programme upon which the Dominion Government is embarking.

In the year ended March 31, 1941, the company established a record high production volume, with earnings slightly lower than the preceding year.

Week in Wheat

Slight Effect Noted On Coarse Grains

Market Has Not Shown the Strength Expected to Follow New Policy of Paying Freight Charges on Feed Grains

From Our Own Correspondent

WINNIPEG.—The coarse grains market has not shown the strength which some observers were inclined to believe would follow announcement of the new government policy of paying full freight charges on feed grains shipped from western and eastern Canada. Prices for oats and barley have lately been from six to seven cents a bushel less than the highs earlier recorded, and less than the ceiling which it is assumed may be imposed on the prices of such grains when the new government policy of price control is fully worked out.

The wheat market likewise has been moving within narrow limits but this was expected following announcement of the government price control plan. No change is expected until this plan is clarified in respect to wheat.

Coarse Grain Supplies

Several different reasons must be taken into account in this connection. In the first place new supplies of coarse grains have been fairly heavy. Farmers have been marketing an unusually high percentage of their crop, and a quantity of coarse grains unusually high in relation to the quantity of wheat marketed.

They have been moved to do so partly by plans to use wheat in their own feeding operations, and to sell coarse grains, which comparatively return a better price at the moment. They have also sold oats and barley to obtain needed ready cash, unavailable because their marketings of wheat have been restricted by quota.

Eastern farmers have not been insistent buyers of coarse grains, in spite of their anticipated heavy needs for the crop year, because characteristically they are not accustomed to lay in food supplies very far in advance.

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Watch Ceiling Effect

The announced ceiling on prices has tended to remove worries they might previously have felt as to considerable rises in the price of feed grains to avoid which they might otherwise have been moved to lay in supplies. And at the same time the policy of a ceiling on prices has possibly tended to dampen ardor for any considerable expense in their feeding operations. Then, too, the new freight policy is to apply on wheat used for feed as well as the coarse grains, and wheat, pound for pound, offers a more attractive buy to feeders who know how to use it, than do coarse grains. The fact that wheat prices generally are low tends to keep down feed wheat prices. The present price on such wheat, at about 14 cents a bushel below No. 1 Northern, represents an extremely narrow spread, one which experienced persons hardly expect to become narrower.

For another thing the policy of the Dominion Government to prevent the export of feed grains to the United States begins to look as if it would be permanent for this crop, so the bullish influence which might come from demand south of the line is lacking.

Then, too, the coarse grains market has lost some of the attractiveness it formerly had for some investment buyers. Some of these had envisaged the possibility of a very strong market in feed grains, as the result of a fairly small production in western Canada, a large and much publicized demand for feed in eastern Canada, and some considerable demand from the United States.

If there is to be a ceiling on prices the possible benefits from holding such grains are limited. Consequently some former holders have been willing to liquidate, even at prices somewhat below the theoretically possible high.

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Flax Move Slight

Nor has flax made the response that might have been expected to a reduction of one half in the United States duty, which came about as the result of commercial negotiations with Argentina, from which nevertheless Canada gets benefit. Traders have not yet made up their minds whether the price of linseed oil, and consequently of flax, is likely to be held down by the price ceiling policy, or whether it will be possible for prices to rise above the domestic ceiling if the United States bids strongly for Canadian flax.

Wheat Prices

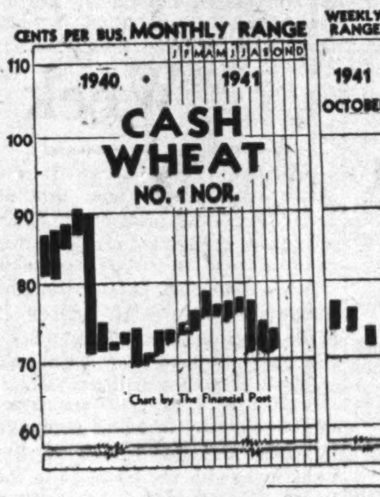

Chart by The Financial Post

Cash Quotations

	For Week Oct. 27 High	For Week Oct. 27 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.72⅞	.71⅞	.73⅞	.71⅝
1 Nor.	.72⅞	.71⅞	.73⅞	.71⅝
2 Nor.	.69⅞	.67⅞	.71	.68⅝
3 Nor.	.67⅝	.66¾	.68⅞	.66⅝
4 Nor.	.66⅝	.65¾	.67⅞	.65⅝
5 Wheat	.65⅝	.63¾	.66⅝	.64⅛
6 Wheat	.64⅝	.62¾	.65⅝	.63⅛
Feed	.58⅞	.57¾	.59⅞	.57⅝
Oats:				
2 C. W.	.46½	.45⅛	.48⅝	.45
3 C. W.	.42¾	.41⅜	.44⅞	.41¼
Barley:				
1 Feed	.52⅜	.49¾	.54¼	.49¾
2 Feed	.50⅛	.47⅞	.53⅜	.47⅝
Flax:				
1 C W.	1.50¼	1.42⅛	1.52	1.45⅛
2 C. W.	1.46⅛	1.38⅛	1.47¾	1.41⅛
Rye:				
2 C. W.	.53⅞	.52¼	.57¾	.51½

Winnipeg Grain Futures

Week to Oct. 27, 1941

Crop year from Aug. 1, 1941 High	Crop year from Aug. 1, 1941 Low		Open Oct. 21	High for week	Low for week	Close Oct. 27	Close year ago
		Wheat					
.77⅞	.71¾	Oct.	.72⅛	.73⅛	.71⅞	.71⅞	.70⅜
.79	.72⅝	Dec.	.73⅛	.74¼	.72¾	.72¾	.71⅝
.82¾	.76½	May	.77⅛	.78⅛	.76½	.74⅝	.75⅞
		Oats					
.50⅞	.37¾	Oct.	.44½	.45¾	.44⅛	.44⅛	.33
.48½	.35⅛	Dec.	.44⅛	.46⅝	.43¾	.44⅜	.30¾
.47⅞	38⅛	May	.43⅛	.45¾	.43	.44⅝	.30
		Barley					
.62¾	.47⅞	Oct.	.53⅝	.56⅛	.53½	.53⅝	.42⅞
.61⅜	.46¼	Dec.	.54⅛	.56	.53¼	.53¾	.40⅛
.61¼	.49⅜	May	.54¾	.57⅛	.54⅝	.54⅝	.39⅞
		Flax					
1.64	1.40¼	Oct.	1.49½	1.50½	1.42⅛	1.42⅛	1.17¾
1.63	1.40½	Dec.	1.46¼	1.47¾	1.42¾	1.42¾	1.16¼
1.64½	1.40¼	May	1.46	1.47¾	1.45¼	1.47	1.20⅝
		Rye					
.65⅞	.51¼	Oct.	.54¼	.55⅝	.52¾	.52¾	.44¼
.66	.50¾	Dec.	.53⅞	.55¾	.53½	.53⅞	.45
.67⅝	.51¾	May	.55⅝	.58⅛	.55⅝	.56⅞	.47⅞

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$9.35	$9.50	$8.25
Hogs	14.85	14.75	12.00
Copper, lb.	.12	.12	.12
Cotton, lb.	.1721	.1695	.0980
Sugar, raw, lb.	.0350	.0350	.0285
Wheat, Man. (bu.)	.71⅞	.72⅛	.70⅜
Coffee, lb.	.09⅛	.09⅛	.05⅛
Hides	.15⅛	.15⅛	.14
Weekly Indices			
Canada (D.B.S.)	93.6	93.7	83.3
Do., Wood, Gundy	74.3	74.5	66.8
U. S. Labor	91.7	91.6	78.4
Dow Jones (future)	80.04	79.14	55.10
Fishers	97.7	98.3	83.3
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)*	114.7	113.7	106.4
W'sale (Aug.)	91.8	91.1	82.6
U. S. (Aug.)	90.3	88.8	77.4
U. S. (July)	88.8	87.1	77.7
Gt. Brit. (July)	153.2	152.4	139.7

Note:—The base of indices is that 1926 equals 100. *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

Britain's Industrial Miracle

(Continued from page 11)

each region has made it possible to determine what things can best be made in existing plants. This has led to a wide distribution of production without regard to the ownership of the factory or the design of the article that is being produced.

So much nonsense has been talked—and much of it is malicious nonsense—about British manufacturers refusing to part with their designs that it may be wise to point out that so effective is the control of the Ministry of Supply over design and production that in many cases aircraft manufacturers are making parts of the machines of their competitors. In some cases whole machines are being made by other companies than those which designed them.

As a specific example, the Blenheim Bomber which was designed by the Bristol Co. is being made among others by the A. V. Roe Aircraft Co. The deHavilland Co. is also making complete machines designed by other companies. Every firm in fact is making and can make different machines from those designed by itself.

I can think of no more effective answer to the improper suggestion which has been made that production has been hindered by the refusal of British manufacturers to part with their designs.

The same procedure is followed in the case of naval guns and artillery weapons and also in the case of tanks and armored cars. No private interest in a military design is permitted to interfere with its most effective use.

Naturally it is impossible to give exact figures but the scale of production in Britain today staggers the imagination.

The great shipyards of England, Scotland and Northern Ireland are busier than they have ever been before. War ships and merchant vessels of all sizes are being launched at an astonishing rate.

I visited the greatest naval shipyards in the British Isles and I can say from personal observation that the injury to plants and equipment by bombing is negligible. I saw heartbreaking destruction of homes in some of the famous shipbuilding areas but in some of those very areas where the human and material destruction had been the greatest, not a single bomb had hit the ships under construction or the building equipment.

There is no more thrilling and reassuring sight in Britain today than the long lines of ships of all sizes now under construction in the greatest shipyards in the world.

And there is no more convincing sound than the heavy roar of automatic rivetters in any of these famous areas.

Aircraft production is equally inspiring. Not only in numbers but in quality of design Britain is forging rapidly to the front. The new Sterlings, Halifaxes and Manchesters are the greatest bombers in the world.

So remarkable has been the advance of design that these bombers are considerably faster and carry more than three times the weight of bombs carried by their immediate predecessors. The latest types of fighters now in service are capable of reaching 40,000 feet and they have speed and climbing power sufficient to more than match anything produced in Germany.

During the battle of Britain last year the fighters were powered with engines of a little more than 1,000 h.p. Today Britain is producing single engines of more than 2,000 h.p.

Without quoting exact figures, it can be safely said that the present rate of British aircraft production makes it certain that British pilots and air crews either in the fighters or the bombers will never again face the odds they did a year ago.

It is in the production of tanks and guns that the most remarkable expansion has taken place.

While mere comparative percentages are always unsatisfactory, some indication of the rate of increase of production can be gained from the fact that for the three months ending June 20 of this year, the production of guns and tanks in Great Britain was 100% more than for the three months ending Dec. 31, 1940.

I saw tanks of all sizes up to the big Churchill in course of construction and they are running off the assembly line at a very high rate indeed.

The production of guns of all sizes has reached fantastic figures. I was in one factory where there were over 8,000 guns ranging from small anti-tank guns up to the largest naval pieces in various stages of construction, and that was only one of many gun plants which I visited.

One of the most interesting features of the production of war equipment in the British Isles is the extent to which women have undertaken tasks which were thought to be beyond their physical strength.

I visited one factory manned entirely by women, except for the plant manager, which was making 25-pounder armor piercing anti-tank shells. From the rough billet to the finished shells bored and ready for delivery the work was done entirely by women none of whom had had any previous industrial experience.

In that particular case the plant was turning out more shells per worker than another plant less than a mile away in which men were working.

In certain types of work demanding nimble fingers and quick eyes women have proved to be better workers than men. This is particularly so in the production of the extremely delicate clock fuses for the 3.7 anti-aircraft shells. Most of the intricate operations on this fuse are carried out by women and at a speed which experience has proved it is difficult for men to maintain.

I do not suggest for a moment that women are working harder than men, or that they have proved to be better factory workers. There are, however, certain types of work in which they do excel, and more and more of them are being employed in all types of industry from the manufacture of gas masks to the building of mighty battleships.

The industrial production of Britain gives every reason for confidence. But they need all the help we can give and they need the help of the people of the United States. Up to the limit of their capacity, they are waging total industrial war. But even that is not great enough for the task which lies ahead unless all who are engaged in the common cause work on the same basis.

The Prime Minister summed up the situation a short time ago in these words:

> "We are not a totalitarian state, but we are steadily, and I believe as fast as possible, working ourselves into total war organization."

Britain is very close indeed to total war organization in all phases of their war effort. That total organization has been made possible only by the complete co-operation of worker and employer, of farm-owner and of farm-hand, of men and women, and of all the people of the British Isles.

It is true there are stiff penalties for those who break the law against interference with industrial production.

It is also true there are penalties for those who fail to serve in any type of war activity. But the imposition of those penalties has not proved necessary.

The British people are fighting an all-out war because they know that is the price of victory.

It is no exaggeration to say that the British people have achieved real equality of service and of sacrifice. It is everybody's war. The spirit of willing service is the spirit of Britain today, and the industrial miracle of the past 16 months has been the result of that spirit.

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Week in Mining

Mining Market Shaken By Kirkland Situation

Labor Threat and Dolmage's Report on Ore at Depth in Kirkland Lake Combine to Move Many Issues Lower on Narrow Selling

An explosive labor situation and a geologist's report that suggested the Kirkland Lake area's main northern producing lode might possibly be dying out at depth combined to bring a sharp break in shares of several Kirkland Lake producers in the past week.

While the geologist's report—that of Dr. Victor Dolmage—referred particularly to conditions at Wright-Hargreaves, he also spoke of conditions for the camp as a whole. He suggested that other mines in the area might soon be faced by conditions now apparently being faced by Wright-Hargreaves.

Dr. Dolmage recommended that a joint depth test be made by mines in the Kirkland Lake area to learn if ore will be picked up at greater depth again after a barren space of several hundred feet or more. His recommendation was generally considered a sound one. The Financial Post recalls that in the past there have been other suggestions pointing out the advantages of the various mines combining for mining of ore at depth, but apparently mines have not so far been able to get together."

The Wright Situation

Apparently the market was ready to place the worst possible interpretation on the Wright-Hargreaves report. Shares sold as low as $2.80 before encountering support.

The company's earnings at 69.4 cents a share were only slightly lower than the previous year. Shareholders ignored this, however, placing the chief emphasis on Dr. Victor Dolmage's suggestion that the north or main ore zone might be dying out. Dr. Dolmage pointed this out only as a suggestion, however, that remained to be proven or disproven. The serious character of the situation nevertheless was not disguised.

While the south Kirkland Lake vein has remained strong ore occurrences there have been meagre too.

* * *

What Value Now?

Shareholders have been busy the last week trying to figure out the value of Wright-Hargreaves stock under presumed conditions. While it had been hoped that ore reserves might continue the same for a few years more, reserves showed a decline in value of $2.4 millions to $26,467,960. Enough ore thus remains to keep the mill running three years. New ore will continue to be put in sight but probably at a lower rate year by year if no new one strike is made.

Taking three years profit at 69.4 cents a share plus 85 cents a share for working capital break-up value is about $2.93 a share. This is break-up value minus profit in ore to be opened up by work in the future. It does not allow anything for intertst on money.

* * *

Switching a Factor

The value of a stock depends on the the falue of other similar stocks and this has been an important factor in the selling price of Wright-Hargreaves. For some time many investors have been shifting holdings from Wright-Hargreaves into Kerr-Addison.

While this meant a lower earnings equity, they justified the step on the grounds of the large and growing Kerr-Addison ore reserves plus the possibilities of still higher profits from future increases in mill capacity. This switching has been a factor in pushing down Wright-Hargreaves shares to their present level.

* * *

No C.I.O. in Canada?

Norman S. Dowd of Ottawa, executive secretary of the Canadian Congress of Labor addressing the National Dairy Council in Toronto recently adopted the thesis that because an international union is affiliated with the C.I.O., and a Canadian branch such as the Kirkland Lake union is affiliated with the international union, the Canadian union still had autonomy so far as Canadian policies are concerned. Hence there was no C.I.O. in Canada, Mr. Dowd argued.

* * *

Springer's Barite

Canada is seen as about to become an important producer of Barite, according to a bulletin issued by the Dominion Department of Mines and Resources. A possible output of 45,000 tons a year is seen as possible from the property of Springer Sturgeon Mines in Hants County, Nova Scotia, where a mill of 150 tons capacity has been erected.

So far, the Dominion has not produced 45,000 tons of barite in all the years between 1885 and 1940, output last year being only 330 tons. Two cargoes of barite, each of 2,500 tons have already been shipped to Trinidad for use in drilling oil wells and another 250 tons has been shipped to Peru.

L. J. Weeks, geologist of the Department of Mines and Natural Resources states that part of the deposit so far outlined by drilling has a horizontal width varying from less than 100 ft. to more than 200 ft. while length of the deposit is now 500 ft. He estimates a minimum of 420,000 tons of barite of commercial grade plus an additional 321,000 tons that will probably be within the required specification of the Trinidad oil fields.

Kerr-Addison Profit Rises

Diamond Drilling Shows Downward Continuation of Ore to 2,000 Feet

Operating profits continue upward at Kerr-Addison Gold Mines totalling $1,134,522 before depreciation and taxes for the three months ended Sept. 30, 1941, compared with $892,468 for the preceding quarter.

To show the higher profit, production was increased over $250,000 to $1,669,617 in the September quarter. Tonnage treated rose from 175,926 to 190,034 tons while average recovery increased from $7.97 to $8.79 a ton.

During the September quarter, diamond drilling from the 1,300-ft. level indicated the downward extension of ore values to depth. A hole put down intersected No. 18 ore body at 1,575 ft. depth showing a width of 20 ft. grading 0.258 oz. uncut, the No. 14 ore body was intersected at 1,800 ft. depth running 0.32 oz. over 4 ft. while the great No. 21 ore body was intersected at 2,000 ft. depth running 0.275 oz. across 50 ft.

At the 1,300-ft. level where more ore has been opened than at any other horizon, No. 9 ore zone was extended a further 240 ft. averaging 0.22 oz. per ton over 18.7 ft. A crosscut to No. 19 ore zone cut new ore on which drifting has so far developed 50 ft. averaging 0.236 oz. per ton. In No. 19 zone, drifting has developed an ore lens 105 ft. long averaging 0.262 oz. over a width of 6.7 ft. and so far shows 105 ft. of ore averaging 0.174 oz. over a width of 9.3 ft. in a second lens.

Broulan Profit Shows a Gain

Considerable improvement in production and profits is shown by Broulan Porcupine Mines in the third quarter of 1941 although grade of ore treated is still below mine average. September showed the best results of any month in the September quarter and still further improvement is expected in succeeding months.

Estimated profit before taxes in the three months ended Sept. 30, 1941, totalled $95,774 or 3.6 cents a share compared with $77,229 or 2.9 cents a share in the three months ended June 30, 1941. Production for the third quarter was $261,617 from 35,956 tons of ore for an average recovery of $7.29 a ton. In the preceding three months $239,849 was recovered from 33,697 tons of ore, an average of $7.12 a ton.

Average recovery in the third quarter was still only 17 cents a ton higher than the second quarter and is well below the average grade of ore in reserve. In the first quarter of 1941 recovery averaged $9.03 per ton with earnings before taxes equal to 4.4 cents a share. Results in the second quarter were disrupted by a flow of water which was stopped but which has had an effect on continuity of operations which is only now being overcome.

In September, profit before taxes rose to $28,249 equal to 1.3 cents a share, reflecting an increase in average grade of ore treated. Output for the month was $92,318 from 11,872 tons of ore, an average of $7.52 per ton compared with an average of only $7.04 a ton the preceding month.

If Kirkland Lake Should Strike Effects Would Be Widespread

There is at least a possibility that Kirkland Lake, for many years one of prewar Canada's busiest and most productive centres, will be paralyzed by strike action. This is the concensus of most observers of recent labor disputes in this area as this is written.

If the worst happens, and a strike is called, what would be the result on the Canadian economy in general, and the Kirkland Lake area in particular?

It goes without saying that the effect on the sprawling, unincorporated, thriving community of 24,000 people, which is Teck twp., would be locally disastrous. It would be difficult to find in Canada any community so completely dependent on one industry as Kirkland Lake is on gold mining.

A strike would mean more than the throwing of some 5,000 employees out of work. On the payroll of these men, amounting to some $25,000 per day, exist the merchants, professional men, transportation facilities, and other adjuncts of a modern community.

One of the things about which Kirkland Lake has been proud is the fact that many of the miners own their own homes. In the event of a prolonged strike, and a desire on the part of labor to move to another strike-free municipality, it would be extremely difficult to realize on this real estate, perhaps the result of a lifetime of saving.

On the clay belt in this area has grown up a sizeable farming community. Big market for the produce raised has been the mining centres. If these farmers and homesteaders are suddenly deprived of the market on which they have built their economic lives, they will have a grim struggle indeed to compete with producers serving more southerly communities.

As regards the rest of Canada, its economy will lose overnight a source of new wealth which has been bolstering the sorely pressed foreign exchange market to the tune of some $32 millions a year. Of this sum, about one third came back directly to Canadian industry for supplies and equipment. The Kirkland Lake camp in 1940 spent over $4 millions in electricity and fuel alone.

From an investors point of view Canadians have much to lose by an enforced close down of Kirkland Lake's 12 producing mines and score of developing properties. In dividends last year this area paid out to Canadian investors around $16 millions.

What a strike would do to market values is obvious, and is indicated by a decline from a year's high of $21 for Lake Shore to between $11 and $12. Shares of other Kirkland Lake stocks have declined similarly on the mere talk of labor trouble.

A lengthy strike would undoubtedly unsettle the labor market in the north country. The five or six thousand workers at Kirkland Lake with their families and many of the clerks, merchants and others, who serve them would have to move elsewhere. In the case of those whose savings were tied up in real estate, this might be more difficult than it sounds.

As for the government the policy as this is written appears to be to stand aside and let the dispute settle itself. The report of the recent conciliation board was blunt to admit that its findings, (in favor of recognizing the C. I. O. union) would probably be purely academic, and would not likely form the basis of any settlement.

As for the mine operators all indications point to determination not to do business with Local 240, the International Union of Mine, Mill and Smelter Workers C. I. O. Here is a copy of a notice which was recently placed in the miners' hands:

"No C. I. O. Union"

"In order to clear up any misunderstanding which may exist and in response to several queries as to the position of the company following conclusion of the hearings of the concilation board, the management wishes to reiterate its firm adherence to the stand announced to the board, namely;

"This company is unalterably opposed to signing an agreement with Local 240, the International Union of Mine, Mill and Smelter Workers, C. I. O., though prepared to recognize the principle of collective bargaining through elected committees of our own employees, as proposed to the board.

"In taking this stand, the company is convinced it is acting in the best interests of the employees, the district, and of Canada."

The managements appear to feel they have less to lose than the employees. They say gold does not deteriorate, underground, or anywhere else. Workings can be allowed to fill with water after the pumps have been pulled, and very little material damage result. Workings can readily be pumped out again. Mill equipment, if properly cared for, does not deteriorate quickly.

Stand of the miners seems equally firm. With the exception of the Cariboo and Bridge River, B.C., strike some years ago, when the C. I. O. union was badly defeated, this is the first major test the union has had in Canadian mining. Union officials probably feel they cannot afford to lose it. In the strike vote taken prior to the conciliation board hearings, the miners voted 24 to 1 to support this union, a vote which was the result of years of work and propaganda by union organizers.

East Malartic Goes To Depth

Ore Characteristics Unchanged on Five New Levels — Output Off

Development on all five of the new deep levels at East Malartic Mines progressed in ore of mine average width and grade during the three months ended Sept. 30, 1941, J. P. Norrie, general manager, states in the quarterly progress report.

Drifting advance has also been confirmed by horizontal drilling from the drift. On the five bottom levels the average advance was 200 ft. to the east and 250 ft. to the west of the shaft. The main 485 drift east has now been carried 1,650 ft. east of the shaft and is in ore of better than $7 grade, Mr. Norrie states. The last 229 ft. of this drift has been in ore of better than $8 grade over drift width.

Why Quarter Lower

While it had previously been expected that the September quarter might see an upturn in production it was actually lower at $667,642 from 133,389 tons of ore compared with $749,092 from 133,558 tons of ore in the preceding quarter and $884,632 from 136,287 tons in the third quarter of 1940. Cause of the decline in production the September quarter is stated to have been a delay in completion of the ore pass serving the bottom levels until early in August. This seriously lowered production in July and was also felt in August and September production.

Surface drilling in the south contact area to the east of the shaft returned several important ore intersections in the third quarter. Hole No. 117 cut 7 ft. grading $19.80 and 5 ft. grading $9.45 at a point 7,750 ft. east of the shaft. Hole No. 121 cut 5 ft. grading $12.08 at a point 8,950 ft. east of the shaft and further drilling is now under way to extend these ore intersections.

Six stopes are now being prepared on the fifth level, two on the sixth and seventh levels and one on the eighth. Ore from these stopes and lower level development is expected to materially raise production in coming months.

Bonetal to Ship Ore in November

Considerable Length of Ore Put in Sight By Work in No. 1 Zone

Shipments of ore to the Broulan mill will be started by Bonetal Gold Mines during November, it is stated in the quarterly report of Broulan Porcupine Mines.

A limited amount of development completed on the second and fourth levels of No. 1 zone, located in the sediments, has put in sight a considerable length of ore, it is reported. During the current quarter, exploration is to be extended in the No. 1 zone on the first and third levels.

To Test No. 2 Zone

In the greenstone area, a lesser amount of development has been completed, but during the current quarter development will test No. 2 zone.

Broulan Porcupine Mines has now acquired 790,000 shares of Bonetal Gold Mines and is entitled to take up a further 100,000 shares over a period of time.

Laflamme Barraute Lays Out Plans

Plans are now stated to be under way to start work on the 1,000-acre property of Laflamme Barraute Mines in the Barraute area, Que. Arrangements are being completed to erect camps for the winter's work which will be under the direction of J. P. Norrie.

The company is stated to have accepted a financing offer from a firm of brokers. A crew is now being hired to start work immediately and one of the directors is leaving for the north this week.

Week in Oils

From Our Own Correspondent

CALGARY.—New wildcats and semi-wildcats are now getting under way in all parts of the province, at an accelerated rate over that shown during the past year or more.

Anglo Canadian Oil Co. holding somewhere between 20,000 and 30,000 acres under lease or reservation in the area southwest of Vermilion, spudded in its first drill test Oct. 21. Powerful light, Deisel-powered rotary equipment is being used and the hole was down 1,925 ft. last week end, with the bit close to the lower cretaceous sand, the horizon from which wells in the Vermilion field are producing. Anglo-Vermilion No. 1 is located in L.S.D. 15 28-49-7w4, about 10 miles southwest of the town of Vermilion.

Northwest Co., Imperial Oil subsidiary, staked location for its first test in the Brooks area last week, and spudded in the test with a light portable rotary rig. Northwest-Brooks No. 1 is located in L.S.D. 16 20-18-14w4, 1½ miles southeast of the town of Brooks, and around 15 miles southwest of Standard Oil operations in the Princess Area. It is the first of several tests to be drilled this winter on the large Northwest Co. reservation in the Brooks area.

* * *

New Princess Test

The Standard Oil Co. of B.C. continuing its thorough development programme in the Princess-Steveville area, has staked location for its ninth well in this section and was rigging up to spud early this week. The new test, Standard-Princess No. 6, is located in L.S.D. 5 27-20-12w4, half a mile north of the Princess No. 1 test which developed a very heavy gas flow and promising oil showings in 1940, but was abandoned due to mechanical difficulties.

In the foothills belt, Royal Sun Petroleums was scheduled to spud in its first test on the Livingstone range the middle of this week. The venture, a diamond drill test around 25 miles southwest of Turner Valley is located in L.S.D. 2 17-13-3w5. By Monday derrick had been completed and rigging up was in progress. The test is backed by a group which includes the B. A. Oil, Russell V. Johnson and Paul Payette.

* * *

Grease Creek Drilling

The Northwest Co's. Grease Creek No. 2 test on the Grease Creek structure, spudded in on Oct. 7, was down to 850 ft. early this week, with the rotary bit in the Lower Benton formation after confirming the Cardium sand marker at 270 ft. The well is expected to reach its Madison limestone objective around 7,500 ft.

North of Grease Creek, Ram River Oils has resumed drilling in the Devonian limestone at its No. 2 test on the Ram River Structure, after a lengthy shutdown. Early this week drilling was proceeding below 3,085 ft., with oil saturation shown in the cores recovered at 3,020 and 3,070 ft. The lime, however, was dense.

* * *

To Drill Pouce Coupe

Up in the Peace River country of Northern Alberta, Atlas Investments of Vancouver has taken up three large reservations in the Pouce Coupe block, and is scheduled to stake and spud in its first test well by Nov. 30. The area has long been favorably regarded and the two tests drilled to date (the Northwest-Pouce Coupe No. 1 and Guardian Oils No. 1) revealed promising gas and oil showings.

Extending its development programme into the Calling Valley area, flanking the north Turner Valley extension to the east, the Northwest Co. has placed a seismic survey party in the field to prepare a detailed report on its large block of leases and reservations in this section.

* * *

Well For Sarcee Indian

Climaxing lengthy negotiations, arrangements have been completed for drilling a new deep test on the Sarcee Indian reserve, a few miles southwest of Calgary, and along the structural trend of the north extension of Turner Valley. Location for the new test, to be known as Major Oil Investments No. 11, has been staked in L.S.D. 12 9-23-4w5. Survey of the site is now under way, and work will start shortly. The well is scheduled to spud in by Nov. 15.

The important new north extension test is on Indian land leased by the Highwood Sarcee Oil Co., and now sub-leased by Highwood Sarcee to a group including Petroleum Corp. of Canada (Francis P. Byrne and Associates) and Major Oil Investments Ltd. (Fred A. Schultz, C. C. Cross & associates). The group is reported to have taken over about 6,500 acres on the west side of the Sarcee Reserve.

In the opinion of the group's geologist, J. O. G. Sanderson, and of Dominion Government geologist G. S. Hume, the west side of the Sarcee Reserve overlies a northwest extension of the same body of Madison limestone from which Turner Valley is now producing. It is anticipated that the limestone will be found at comparatively shallow depths, and well above the known water level of Turner Valley.

The new location is 14 miles north and west of Major No. 3, Turner Valley's present most northerly oil producer. It is eight to nine miles north and west of the Major No. 5 and Home-Millarville No. 12 locations, where drilling is slated to start in shortly.

To Survey Turner

Dr. George Brown, petroleum expert from the University of Michigan, has arrived in Calgary to conduct a survey of Turner Valley for the Petroleum & Natural Gas Conservation Board.

His task will be to estimate Turner Valley productive capacity and, as near as possible, determine the field's known oil reserve. Dr. Brown, was one of the American oil experts who testified before the McGillivray Royal Commission in 1939.

Wt.-Hargreaves Options Aetna

Firm Commitment is Made to Spend Minimum of $25,000 on Work

A special meeting of shareholders of Aetna Mines has been called for Nov. 8 in Montreal to pass on a proposed financing deal with Wright-Hargreaves Mines.

Under the proposed agreement, to be passed on by Aetna shareholders, Wright-Hargreaves undertakes to expend a minimum of $25,000 on exploration. If results prove satisfactory, a new 3,000,000 share company is to be formed in which Aetna Mines would receive 1,069,000 shares. Wright-Hargreaves would be allotted one million shares of the new company at 10 cents a share in reimbursement of money expended. On taking up the one million shares at 10 cents, Wright-Hargreaves receives options on a further 319,000 shares at 10 cents a share, 500,000 shares at 15 cents a share and 430,995 shares at 20 cents a share.

The Aetna Mines property of 1,320 acres is situated in Davis twp., Sudbury area, northern Ontario.

Danrod Syndicate Offering Taken Up

Recent offering of Danrod Syndicate units is officially stated to have been oversubscribed with ample finances in the treasury to carry out present development plans.

Men are now at the property erecting camps and cutting roads, preliminary to carrying out a magnetic survey to isolate the favorable diorite intrusives.

Inco Output Fills Essential Needs

"Production of Canadian nickel is at an all-time high and the needs of government and essential industries and services are being adequately taken care of," states International Nickel Co. in a letter to nickel consumers.

This statement indicates that while the demand for nickel has reached unprecedented heights, the nickel supply situation has not yet become as serious as that for some other metals. At the same time the company points out that curtailment of use of nickel has been necessary—and will continue necessary—in certain non-essential fields.

MacLeod Clears the Decks For Higher Profit Levels

From Our Own Correspondent

GERALDTON, Ont.—Mine development has now been well advanced at MacLeod-Cockshutt Gold Mines for the increase in mill capacity from 650 to 1,000 tons daily, expected to come into effect the second quarter of 1942.

Immediate expansion is to 1,000 tons, but plans allow for an eventual expansion to 1,500 tons daily, a rate that would already seem close to being justified on the basis of tonnage of ore disclosed in development.

Operating Profits Grow

Present expansion is estimated to cost $400,000, but from the rate operating profits are now running it is not expected that expansion will place any serious drain on financial resources. The trend of operating profits has been steadily upward the last year and is now running at the rate of $1 million a year. The increase in quarterly operating profit has been from $163,093 in the three months ended Dec. 31, 1940, to an estimated $242,848 in the three months ended Sept. 30, 1941.

Increased operating profits have been due in part to higher recovery, quarterly recovery moving up from $571,141 in the three months ended Dec. 31, 1940, to $608,300 in the three months ended Sept. 30, 1941.

Pulley Helps Recovery

Average recovery rose appreciably the latest quarter due to changes in the milling circuit and installation of a heavy duty magnetic pulley for sorting of the magnetite with which the mine ore is associated. Approximately 80 to 90 tons of waste has been discarded daily in recent months by the pulley with an improvement in average recovery of about $1 a ton. A pulley of 150 tons daily capacity is now to be installed. Experimentation is also being proceeded with for by-passing pyrite concentrates direct for cyanidation.

The past year at MacLeod-Cockshutt Gold Mines has been one of preparation for expansion of the mill rate. There have been extraordinarily heavy expenditures on development which have tended to hold down operating profits. Consequently increased profits can be looked for in the future from a lower scale of development costs as well as increased production.

To open up the MacLeod ore bodies at depth, a large programme of shaft sinking has been carried out. The main or No. 2 shaft has been continued from 950 to 1,450 ft. depth and a primary crusher has been installed at the 1,250-ft. level. Ore and waste passes have also been cut for delivery of the ore to the crusher and for hoisting to surface.

The No. 1 shaft has been deepened to 1,150 ft. with seven new levels established at 150-ft. intervals.

The great MacLeod west ore body is to be attacked during November from No. 1 shaft at the 650-ft. level. Lateral development of this ore body at the third level has opened up 2,363 tons of ore per vertical foot averaging 0.26 oz. cut grade to the vertical foot. Diamond drilling from the third level also indicated 2,467 tons of ore per vertical foot averaging 0.29 oz. cut grade for the 650-ft. level.

North Ore Bodies Go Down

Lateral development during recent months on the 6th level at the 950-ft. horizon has shown the strong downward continuation of the main "North" ore bodies. Drifting has now been carried to within 270 ft. of the east boundary and well to the west of the main crosscut or 1,070 ft. west of the boundary. Drift development with close interval drilling indicates 1,400 tons of ore to the vertical foot of average mine grade. Preliminary drilling to the south and west has also intersected ore structure in the main fold, as on the fifth level and the additional ore tonnage could be important. There are also indications to the north and west of the main crosscut area.

4,500 Tons to Foot

Taking results on the north and west ore bodies at the third level, the mine has over 4,500 tons of ore to the vertical foot. Similar tonnage is also strongly indicated by recent drift development on the sixth level in the main ore bodies and by the diamond drilling intersection on the fourth level in the west ore bodies.

Ore reserves at the end of the 1941 fiscal year are understood to have been in the neighborhood of 1,200,000 tons grading 0.25 oz. Development at depth, which is now getting well in hand with shaft sinking out of the road, is expected to bring a rapid increase in proved reserves. At Sept. 30, 1940, ore reserves had been only 797,000 tons of probable ore grading 0.26 oz. gold per ton.

Mining Stock Options

Buffonta Mines — On Sept. 30, Haras Corp. agreed to purchase 100,000 shares at 10 cents a share, payable $5,000 immediately and $5,000 within 10 days. An option was also granted on a further 1.3 million shares for a total consideration of $520,000, payable at the rate of not less than $5,000 or more than $20,000 monthly, as shall be determined by a consulting engineer appointed by the company. Authorized capital of the company is 3 million shares with 1,388,494 shares issued.

Derlak Red Lake Gold Mines — Under agreement of Sept., 1941, J. T. Eastwood agreed to purchase 100,000 shares at 5 cents a share payable within one month and was granted an option on a further 1,150,000 shares as follows: 200,000 shares at 5 cents a share payable by July 1, 1942; 100,000 shares at 10 cents a share payable by Oct. 1, 1942, with balance at 20 to 40 cents a share payable by April 1, 1943. Authorized capital is 3 million shares with 1,400,005 shares issued.

Goodrock Gold Mines—By agreement of Oct. 6, 1941, 1 million shares were optioned to Hudson Securities as follows: blocks of 100,000 shares each at 5, 6, 7, 8 and 9 cents a share, with balance at 10 to 20 cents a share payable $2,000 within 60 days and $2,000 monthly thereafter. Authorized capital is 3 million shares with 1,500,005 issued.

Hartford MacClure Gold Mines — On Sept. 30, 1941, 25,000 shares were optioned to Mark Daniels as follows: 10,000 shares at 5 cents per share and 15,000 shares at 7½ cents a share, payable by Nov. 30, 1941. Authorized capital is 3 million shares with 1,090,027 shares issued.

McKetec Gold Mines—A total of 1,970,000 shares were optioned to R. C. Southgate on Oct 8, as follows: 270,000 shares at 5 cents per share payable by Jan. 5, 1942; blocks of 100,000 shares each at 6, 7, 8, 9 and 10 cents a share payable 100,000 shares monthly commencing Feb., 1942, with balance at 11 cents to $1 a share payable by Feb. 25, 1942. Authorized capital is 3 million shares with 1,022,005 shares issued.

Murmac Lake Athabaska Mines—A total of 1 million shares optioned to W. R. Scott on Sept. 9 as follows: 200,000 shares at 5 cents a share to Dec. 15, 1941; 200,000 shares at 7½ cents a share to Mar. 15, 1942, with balance at 10 to 50 cents a share payable by April 15, 1943. Authorized capital is 3 million shares with 1,895,705 issued.

Orpit Mines—On Aug. 23, 1941, 350,000 shares were optioned to T. L. Brock at 7 cents a share payable $2,000 on the second of each month, starting Nov. 22, 1941, until completed. Authorized capital is 4 million shares witn 3,580,592 issued.

Sepha Mines—On Oct. 8, 1941, 1,695,000 shares were optioned to Charles C. Wright as follows: 570,000 shares at 5 cents a share; 100,000 shares at 6 cents a share; 150,000 shares at 8 cents a share; 100,000 shares at 10 cents a share, with balance at 12½ to 50 cents per share payable $5,000 monthly. Authorized capital is 3 million shares with 1,350,005 issued.

Veynore Barraute Mines—On Sept. 18, 1941, Gordon Jones & Co. agreed to purchase 20,000 shares at 5 cents a share payable within one month, and received option on 1,480,000 shares as follows: 200,000 shares at 5 cents a share; blocks of 200,000 shares each at 7½ and 10 cents a share, with balance at 12½ to 15 cents a share payable $1,000 monthly. Authorized capital is 3 million shares with 1,000,005 issued.

Windsor Cobalt Silver—On Oct. 3, 1941, David H. Bennett optioned 200,000 shares at 7½ cents per share payable by Dec. 5, 1941. Authorized capital is 2 million shares with 1,503,000 issued.

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Hudson Bay Expands Major Mining Enterprise

Rich Ore at Depth Suggests Still Further Growth May Lie Ahead

By GORDON M. GRANT
Staff Writer, The Financial Post

Large-scale expansion at Hudson Bay Mining and Smelting Co. is something that would have been accomplished in peacetime. War came along to speed up the tempo of expansion, however, bringing the company more quickly toward its ultimate growth.

Important as the expansion carried out since the start of the war has been, however, there is still no promise that the company won't be asked to turn out still more metal. Fortunately both financial and mine positions are such that further expansion seems quite possible if the war effort requires. Copper and zinc, the company's two chief products, are in tremendous demand and greater supplies are still being sought.

Expansion Hidden by War

Wartime has tended to hide much of Canada's mining and industrial growth. This has been particularly true of Hudson Bay. Earnings have been increasing, but the excess profits tax has been skimming off much of the extra profit and earnings available for dividends do not fully reflect the new enlarged size of the operation.

Metal production figures and tonnage of ore milled usually give some indication of results of expansion but again war hides the facts. The most tangible thing we know is that mill capacity at Hudson Bay is now approaching 6,000 tons daily—compared with a pre-war capacity of 4,500 tons daily.

Grade Higher Now?

Besides this, we have the probability that grade of ore treated may have been increasing as open-pit mining has been eliminated and the known fact that development at depth has been giving even better results than on the levels above. The latter suggests that a major expansion of ore reserves may be in the making, not that the company is in any immediate need of further ore.

Expansion at Hudson Bay, like that at International Nickel, has been more a continuous process than the leap-frog affair common at most gold mines. The company is now "working in" a new pilot plant for retreatment of zinc residues. Success in treatment of these concentrates may lead to installation of a much larger unit. It is understood that there are close to 300,000 tons available running 23% zinc. With a contained zinc content of perhaps 138 million pounds, these zinc residues could be an important asset as zinc is the scarcest of all the nonferrous metals, fetching around nine cents in the United States against three cents a pound under United Kingdom contracts.

South Shaft a Help

Underground, completion of the new south shaft has allowed Hudson Bay to mill its present tonnage without difficulty and gives the shaft capacity for a higher milling rate in the future when and as this is decided on.

Excellent results secured in underground development are mentioned in only brief sentences in annual reports but they speak of fine new developments. Taken in their chronological order, they give an interesting story. They indicate, for instance, an improvement in the grade of ore opened at depth. The 1938 annual report spoke of work from the old north shaft showing ore on the 2,500, 2,750 and 3,000-ft. levels fully as wide and higher in grade than the mine taken as a whole with development not fully completed.

Here is what President R. H. Channing stated about depth work in 1939:

"The principal development during the year was that carried on in the southern portion of the mine below the 2,210 level, referred to in the last annual report. This work has confirmed the results then reported, that the ore in this area on the 2,500, 2,750 and 3,000-ft. levels, as compared with the average of the mine as a whole, is higher in grade and fully as wide, and the year's work increased the estimated length from the figure reported last year to approximately 1,000 ft. In addition a recent drill hole in this section has shown the ore to be equally as good in grade and width to a depth of 3,250 ft."

In the 1940 report, Mr. Channing disclosed that development results had been fully as good as expectations in working from the new south shaft:

"The principal development work during the year was in connection with the new south main shaft and preparation for mining of ore bodies tributary to it. This work has proceeded on schedule and ore is now being hoisted from the 2,210-ft. level of that shaft and the shaft itself has been completed full size to the 2,500-ft. level and in a smaller sized section to the 3,000-ft. level. The various levels connected with it down to and including the 3,000-ft. level have been driven and the results of this development have come up to expectations."

The trend toward improved ore conditions at depth has continued in 1941. Grade has continued better with widths fully as satisfactory. The extension of ore downward as far as exploration has been carried suggests that Hudson Bay will have a long life—with a tendency to a higher grade of ore for the mill as the company grows older rather than the treatment of a lower grade which is the tendency at the average mine.

Based on the tonnage of ore extracted in mining the open pit down to the 300-ft. level, Hudson Bay secures enough ore to keep a 6,000-ton mill in operation a year in 100 ft. vertical depth. In underground mining, costs are a little higher, so lower grade material is passed by. But the company still gets enough ore for a year's operation in about 125 to 150 ft. of vertical depth.

This estimate is supported by the tonnage of ore per vertical foot worked out from the last ore reserve estimate (for 1938) plus tonnage of ore extracted up to that time. The reserves were estimated down to the 3,000-ft. level and subsequent work has probably increased greatly tonnage of ore eventually to be won down to the 3,000-ft. horizon.

Untouched at Depth

While lateral development has been carried down to the 3,000-ft. level and drilling shows ore below that again, mining has only been carried on down to the 2,210-ft. level so that the proved ore zone for the 1,000 ft. below the 2,210-ft. level is virgin ground as far as mining is concerned. Indications suggest six to eight years' ore in this single 1,000-ft. lift below 2,210 ft. It is understood that total ore reserves are still around 15 years' requirements down to the 3,000-ft. level. Apparently there is still as much ore remaining to be mined above the 2,210-ft. level as has been extracted in spite of the fact milling operations have been carried on for over a decade. Of course, at the higher milling rate, ore remaining above the 2,210-ft. level may not last quite as long as previously.

The Hudson Bay ore body is now known to have vertical characteristics, plunging to the south as depth is reached. The fact that the ore body has extended down so far and that values have been improving with depth suggests that the ore body can be expected to go down still farther.

Outlook for Earnings

Earnings of Hudson Bay in the year ended Dec. 31, 1940, were $5,948,855, equal to $2.16 a share compared with $1.90 a share in 1939. In the first half of this year earnings were equal to $1.19 a share compared with only 95 cents a share the first half of 1940. With a higher milling rate in effect, earnings in the last half of this year may be high enough to bring full 1941 earnings to $2.50 a share. In 1942 earnings are likely to be still higher if taxes don't interfere. Taxes are the main nigger in the woodpile in most base metal operations now and Hudson Bay is no exception. The placing of ceilings on prices and wages is expected to hold back the trend toward higher operating costs.

The $2 millions paid in taxes by Hudson Bay in 1940 was equal to around 80 cents a share. Taxes are higher this year and will likely work out at over $1 a share. Back in 1935 taxes only took $489,901 a year or less than 20 cents a share.

Hedge Against Inflation

Base metal stocks are being looked at more and more as a hedge against inflation. Inflation may have been postponed or prevented by price-fixing, but it is still a factor being watched by the careful investor.

Prices of both copper and zinc for export to the United Kingdom were taken at the relatively low prices which happened to exist at the outbreak of war. Earnings have been gradually increased in spite of these low fixed prices.

Metal Prices Important

There is one unknown factor in the Hudson Bay metal picture that has an important bearing on current earnings. It will be recalled the United Kingdom contracts called for sale of fixed amounts of copper and zinc at fixed prices. If Hudson Bay is free to sell any added output of metal in the United States, the increase in earnings from added capacity may be somewhat sharper than many people expect.

After the war, too, the rise in base metal prices might be sharper than that for some other raw products due to the low, fixed prices in the United Kingdom and Canada. Of course, it is impossible to tell now whether we will experience a boom or depression after the war. If it is depression, Hudson Bay still has its sheet anchor of gold production which aided the company through the last depression.

While Hudson Bay has been expanding its capacity at a relatively rapid rate, this has not been done at the expense of the company's liquid position. Working capital reached a new high of $10.8 millions at the end of 1940. Write-offs for depreciation and preproduction expense were approximately equal to the amount expended on new plant for all 1940.

Smelters to Turn Out 500 Tons Of Tin Yearly, Official Says

From Our Own Correspondent

VANCOUVER. — Consolidated Mining & Smelting Co. is now in a position to produce about 500 tons of refined tin annually and a new smelter for the recovery of tin from cassiterite is now under construction at the Kimberley smelter.

Details of how the big British Columbia smelting organization has conquered the problem of producing on a commercial scale one of the few important industrial metals hitherto virtually unknown to Canadian mining were disclosed by H. R. Banks, of the Smelters organization, in a paper presented to the B. C. division of the Canadian Institute of Mining and Metallurgy here recently.

Research Provided Answer

Mr. Banks said that some years ago the laboratory staff at Trail noticed a fine streak of whitish mineral in samples taken from the tailings of the great Sullivan mine, storehouse of Consolidated's vast resources in lead, zinc and other base metals.

At first it was felt that the cassiterite content of the tailings was merely of academic interest and that tin could never be produced on a commercial scale. However, during temporary lulls in laboratory activity the staff went to work on this branch of research, regarding it as "a useful bit of knitting."

Finally a ton of tin concentrate running 67% tin was produced, and from that beginning the company proceeded with production plans spurred by the dislocation of the world's tin supply as a result of the war and the more attractive prices for the metal. A smaller plant for the treatment of tin-producing metal went into production last March, occupying about 9,500 square feet of floor space.

Mr. Banks stated that last year tin production throughout the world amounted to 233,000 long tons, only 16% of which was produced in this hemisphere—nearly all by Bolivia. The Malay States produced about one third of the world's total.

Electric Furnace Used

"The smelting of tin concentrate," said Mr. Banks, "has been worked out in Trail using an electric furnace. The purity of the tin metal produced is notable, considering the complex nature of the ore. The metal is equal to plus 99% standard tin. Feed to the tin plant assays from 1.0 to 1.5 pounds tin per ton. Overall recoveries approximate 45% with a ratio of concentration of over 2,000 to 1."

In the past 80 years, Mr. Banks pointed out, the United States and Alaska had produced only 1,810 tons of tin—or about 23 tons a year, 82% of the total coming from Alaska. To produce this volume, amounts varying from $5 to $17 millions had been spent, with a return of only $350,000.

15% of Canada's Needs

"On the basis of present operation the Sullivan's production will approach 500 tons of refined tin a year, which is approximately 15% of Canada's present requirements. The Metals Controller, George C. Bateman, recently classified tin as a strategic mineral, so that we feel proud in being able to play an important part in the war effort even though production may still be relatively small."

Mr. Banks said that the chief uses to which tin was put were the production of tinplate and solder and bearing metals. While substitutes had made some progress, it was doubtful whether they would ever account for more than 25 to 30% of the tin supply.

In a general discussion of Mr. Banks' paper Dr. T. A. Rickard, former editor of mining journals in London, New York and San Francisco, and one of the country's most eminent mining authorities, said that Consolidated now produced 10 different metals; that its smelting plant was now in a class by itself so far as diversified output was concerned. He remarked that it was rather surprising that tin production had never been on a scale comparable with lead, zinc and copper despite its worldwide use.

Dr. Harry Warren of University of British Columbia said that spectroscopic work in British Columbia in recent years had disclosed that tin was present in ore other than the Sullivan, indicating that production might be considerably increased in future years.

Other Institute Papers

Many technical papers were presented at the meeting, including a paper on the Sheep Creek gold camp by R. A. McGuire; geology of the Buccaneer-Musketeer properties in the Bedwell River area, Vancouver Island, by France Joubin; the Monarch Mine, by J. D. Galloway; hydroelectric possibilities in British Columbia, by Ernest Davis, controller of water rights; developments at Flin Flon, by J. P. Caulfield and E. Bachman; block-caving at the Thetford Mines by the staff of the Johnson's Co.; the size and mineralogical distribution of gold particles in a flotation tailing sample at Britannia, by Dr. Harry Warren and C. Ney; research and the mining industry, by Prof. F. A. Forward of the University of British Columbia.

The delegates were welcomed by Hon. W. J. Asselstine, minister of mines, and Dr. John F. Walker, deputy minister.

Mining Concentrates

Base Metals Mining Corp. has been carrying on as much exploration as possible but so far nothing of importance has been found. In the meantime known ore reserves are steadily being mined and it is only a matter of a comparatively short time until they will be depleted unless new ore bodies are found. Ore now being extracted in the Monarch mine occurs chiefly in pillars and in small off-shoots from the old worked-out ore bodies.

* * *

Canada's mines produced $529,825 in 1940, an increase of 12% over 1939, final figures released by the D.B.S. show. The combined value of base metals—copper nickel, lead and zinc—was $155,922,881, an increase of 14%.

* * *

Dome Mines production was slightly lower in September:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
September	52,100	1,737	$12.09	$629,717
August	53,500	1,726	12.06	645,354

* * *

Golden Gate Mining Co. expects to encounter the downward continuation of its No. 35 vein at the 725-ft. level very shortly. The 975-ft. level crosscut should reach the vein in about another three weeks' time. Development is continuing on the Crescent section of the company's property with some new ore grading about $8 per ton across 7 to 8 ft. opened up.

* * *

Harker Gold Mines now owns 222,220 shares of Uchi Gold Mines, received for shares previously purchased in Hanalda and Jalda Gold Mines. The Hanalda and Jalda properties were merged with Uchi. Balance sheet as at Dec. 31, 1940, shows $334,310 book value of investments with $249,116 market value. Current assets were $8.621 against current liabilities of $35,150. Of current liabilities, $35,000 represented a secured loan.

* * *

Jerome Gold Mines commenced actual production at the end of August and the mill is now averaging over 500 tons daily, President J. H. C. Waite states. Mill heads are stated to have been satisfactory with recovery over 90%, with improvement in this figure anticipated. Only a limited amount of development was done but 285 ft. of ore was opened up on the 650-ft. level.

* * *

Kootenay Belle Gold Mines has declared a dividend of 2 cents a share payable Oct. 25, 1941, to shareholders of record Oct. 15. September showed a considerable decrease in production compared with the preceding month:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
September	3,008	100	$10.64	$32,000
August	3,075	99	13.78	42,364

* * *

Leitch Gold Mines has declared its regular quarterly dividend of 2 cents a share payable Nov. 15, 1941, to shareholders of record Oct. 31.

* * *

Danrod Syndicate has sent a crew to its property in the east Malartic area to cut roads and erect camps for the winter's work. Arrangements are being made for a magnetic survey to start at once to locate diorite intrusives under the overburden. Sufficient funds are now in the treasury to carry on the winter's work.

* * *

Labrador Mining and Exploration Co. is stated to be negotiating with a large Canadian mining company for finances to carry out further work on its extensive iron deposits in Labrador, outlined by work carried out over a number of years. Estimates of up to 70 millions tons of high grade ore have been made.

* * *

Mining Corporation took an option on a gold prospect in the Sioux Lookout area and considerable surface work and sampling was done but results have not been up to expectations. None of the prospecting parties put out by the company has turned up anything of importance, it is stated.

* * *

MacLeod-Cockshutt Gold Mines showed a slight decrease in production in September:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
September	20,494	683	$9.95	$204,010
August	20,954	676	10.57	221,543

* * *

Normetal Mining Corp. development in the three months ended Sept. 30, 1941, was chiefly confined to drifting and diamond drilling on the 1,535, 1,685, and 1,835-ft. levels. Results have been very satisfactory president J. H. C. Waite states, and to date both grade and widths compare favorably with the 2,000-ft. level which now is the best level in the mine. Directors authorized an increase in mill capacity by 150 tons daily in view of representations made to directors concerning the increasing need for copper and zinc for war purposes. Orders have been placed for this equipment and, if deliveries are on time, it is expected that addition will be in operation by February, 1942. Operations were maintained at capacity during the September quarter.

* * *

Nabco Manganese Mining Co. expects to have its new 100-150 ton mill in operation shortly on its property in New Brunswick. It is expected to turn out about 70 tons of manganese concentrates daily. Reserves are reported at approximately 45,000 tons, of which two-thirds are blocked out and balance broken.

* * *

Presdor Porcupine Mines reports that the crosscut going out at the 1,050-ft. level of Preston East Dome for exploration of the Presdor property is now within 90 ft. of the common boundary. Porphyry formation has been cut at intervals in the crosscut. A minimum of 10,000 ft. of diamond drilling is to be carried out by Preston East Dome in the Presdor property.

Brock Gold Mines To Suspend Work

Due to the increasing difficulty in raising finances with unsettled labor conditions and increased labor and supply costs, Brock Gold Mines has decided to suspend operations at its property in the east Kirkland Lake area. The mine is one of the 12 where the C.I.O. has been endeavoring to secure recognition of the Kirkland Lake Mine and Mill Workers' Union.

When conditions warrant, it is hoped to resume operations, the management states. Some of the most favorable ground as indicated by diamond drilling has not yet been explored underground, it is stated. Considerable underground work has been completed the last year under the management of the same interests as control Upper Canada Mines which it adjoins.

Howe Sound Co. had a net profit of $589,150 equal to $1.23 a share in the three months ended Sept. 30, 1941, bringing net earnings to $2.69 a share for 1941 to date.

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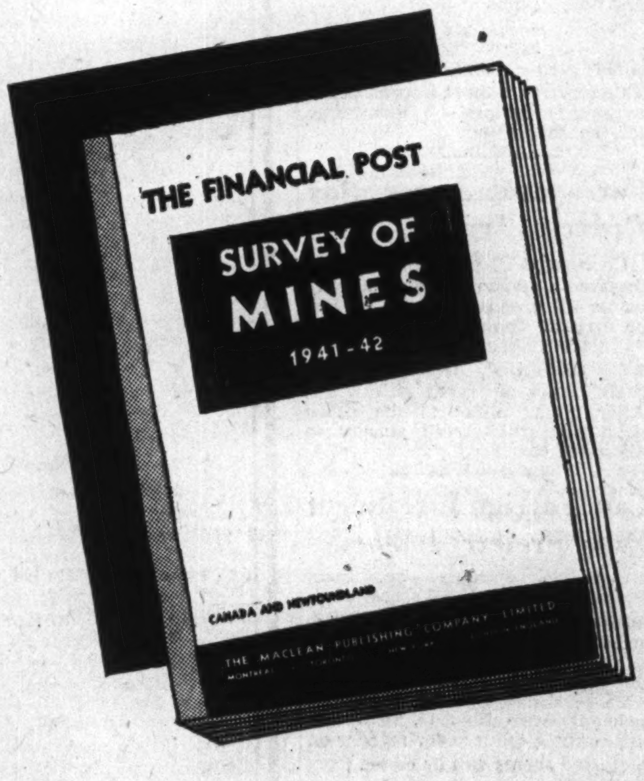

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Fine Paper Makers Face Problem

Government Use, Civilian Accumulation, Strain Facilities

From Our Own Correspondent

MONTREAL.—A heavy backlog of orders for fine paper has delayed deliveries inconveniently into the future, according to a survey prepared by the Howard Smith Paper Mills. While the present congestion is not alarming, the company states, it is still serious enough to warrant study and a search for means to ease it now and in the future.

Events leading up to the present situation are attributed to three causes: unprecedented government demands, abnormal domestic consumption and reduction of imports.

Ottawa's Needs Heavy

The Dominion Government has always used large quantities of paper, the company points out, but under wartime stresses, the amount consumed by war departments is stupendous. Since many of them are of a priority variety, they sometimes play havoc with production schedules.

Like modern industry, the more complicated the operations, the more controls there are which must be set up to keep the machinery running smoothly. Furthermore, the large publicity campaigns for War Savings Certificates, War Loans, gasoline saving and the like have consumed many tons of paper.

Greater Domestic Needs

Allied with the huge government demand is an abnormal domestic consumption. Under war conditions large new companies mushroomed and older companies expanded. All had an assured market and so could purchase maximum supplies at once. Quantities of paper that would ordinarily take years for business to reach were wanted immediately.

Domestic fine paper mills have been forced to meet this demand. In peacetime a proportion of the country's requirements for fine paper specialties were met by imports from other countries. These were papers of a type having special characteristics which seemed more desirable to certain consumers. They came mostly from the United States and western Europe. The war soon made European imports impossible and exchange restrictions reduced purchases in the United States. Those formerly using imported papers, therefore, switched to Canadian products, adding a considerable burden to production schedules.

Increase Inventories

To all this, the company states, may be added the fact that some of the large and regular buyers of printed material, finding deliveries slower than usual, have tended to increase their inventories. In most cases they have been motivated by the law of self-preservation. They just cannot afford to be caught short of printed matter not immediately replaceable, so are forced to replace forward order for rather large quantities. Such orders, combined with the tonnage already booked by the mills, increased the backlog of apparently immediately required paper and delivery promises of further sent forward.

Try Avoid Expansion

Under normal conditions, Howard Smith Paper Mills states, the obvious answer would be the installation of additional machines to take care of extra demand.

"When this can be done with no sacrifice to our war effort, it is, and will be, done; but we must always remember that new paper machines require much material, machine time and man power to produce. We are forced, therefore, to look elsewhere for early relief."

Can Save Paper

It is pointed out that since the root of the trouble is increased use of paper, anything which can reduce consumption will help. Likewise any aid to increased production on present machinery will narrow the gap between supply and demand.

It is suggested paper users themselves can do much to ease the situation. If requests for special grades, colors, sizes and weights can be eliminated, then the time consumed making frequent machine changeovers may be utilized to step up production of standard products.

Ways to Save Paper

Attention is drawn by the company to the fact that actual consumption can be reduced in any number of ways. As paper has always been relatively cheap and plentiful on this continent, it is pointed out, there has been a tendency to use it liberally. Many forms could be designed to be cut out of smaller standard-sized sheets, because they are too large for the usual information put on them. Obsolete or semi-obsolete forms are sometimes junked recklessly, and many non-essential copies made which find their way to the wastepaper basket unused.

Examples are given of various ways in which the British are conserving paper. Notepaper is reduced to half size and quarter size, sometimes written on both sides. Carbon copies of replies are often kept on the back of the original letter if it is one-sided. Envelopes are retained for re-use and packaging material serves its purpose over and over again. "We are not reduced to these straits," says the company, "but there undoubtedly exists much waste, the elimination of which would be of invaluable help today."

Quebec's Water Supply Assures Power Output

From Our Own Correspondent

MONTREAL. — Quebec's water power industry will produce more kilowatt hours of electrical energy this winter than for the like period of 1940-41. However, because of the extraordinary demands created by war industries, prospects at this stage are the non-essential use of electricity may be restricted.

Curtailing use of electricity for window lighting, electric signs and other uses ranked as "non-essential," is under consideration.

Makes Big Difference

The whole power situation in Quebec has undergone a remarkable change for the better in the past 10 days. Previously water in storage was abnormally low and, in view of the rising demand for power, very severe restrictions might have been necessary.

Water conditions in the province were not good up to the middle of this month. Spring floods did not materialize. Summer and early fall months were exceedingly dry.

Storage Back to Normal

Heavy rains materialized in the last 10 days and water in storage now is officially stated to be at normal level for this time of the year. In some sections the water supply is better than a year ago. This ensures production of more electrical energy during the coming winter months than a year ago.

A survey of the water situation in the different basins of the province indicates a normal supply in the Saguenay region. The St. Maurice Valley, one of the largest power producing sections on the continent, reports reservoirs well filled. On the Ottawa and Gatineau rivers there is no worry about water. The eastern townships of Quebec are still short of water. It will be necessary to supplement the power supply in that area with imports from the North Shore. The St. Lawrence River flow, of course, remains constant so that the Big Beauharnois plant will have enough water to operate all the generators installed.

Must Have Storage

Ordinarily, plants dependent upon reservoirs for their water supply produce over three quarters of the total energy generated in the province. This means plants of the Saguenay Power Co., Aluminum Power Co., Shawinigan Water & Power Co., St. Maurice Power Corp., Southern Canada Power Co., Ottawa Valley Power Co., Maclaren-Quebec Power, and Gatineau Power Co., are dependent largely for their economic operation on the amount of water stored throughout the year.

Interconnect Plants

This dependence upon storage has brought about one of the most outstanding developments of the war, namely, the interconnection of transmission systems in the St. Lawrence River Valley in order to ensure maximum use of available water.

As has been previously reported in The Financial Post the systems of Saguenay Power Co., Aluminum Power Co., Shawinigan Water & Power Co., St. Maurice Power Corp., and Montreal Light, Heat & Power Consold. have been interconnected through construction of new high-voltage transmission lines.

This has made it possible to utilize available water more efficiently than has ever before been possible.

Cable Completed Shortly

The only weakness in the whole scheme is about to be corrected. Hitherto it has not been possible to tie-in the big Beauharnois plant. Construction of a high-voltage underground transmission cable from the Atwater substation of Montreal Light, Heat and Power Consold., to the Shawinigan Water & Power Co. substation in the eastern end of the Island of Montreal is to solve that difficulty.

When this unit is completed and put into operation, some time next December, every major plant in Quebec from the Ontario-Quebec border to the Saguenay, with the exception of those on the Ottawa, Lievre and Gatineau Rivers, will be hooked up, thus providing a power pool of approximately 3 million h.p.

May Restrict Use

Despite the marked increase in efficiency of the power industry in Quebec and the improved water situation, etc., it now looks as if the Power Controller, H. J. Symington, may have to enforce some restrictions on the use of energy in Quebec this winter.

But such restrictions are not expected to affect the Quebec domestic consumer who is a relatively small user of energy and any restriction applied to the domestic consumer would have no appreciable effect on the overall power situation.

Authorities here would not be surprised if the Power Controller limited in Quebec the hours of lighting store windows, the use of electric display signs, floodlighting of buildings, etc.

Pulp, Paper Securities Now Higher in Value

From Our Own Correspondent

MONTREAL. — Pulp and paper stock market values reached their high last January and the low in June. Any investor who bought "the board" at that time would now show a handsome profit. The purchase of 10 shares in each of the 12 principally traded stocks at the low would have cost the investor $1,063. The same 120 shares at today's market would be worth $1,477, an appreciation of 39%.

The investor who bought these shares at the high of the current year would still be in a relatively good position, the current market value of $1,477 comparing with $1,591 for the year's high.

Pickup Since June

The point of interest in the market action of the principally traded pulp and paper securities is that there has been, almost unnoticed, a very substantial pickup in values since the middle of the year. For example, Abitibi 6% preferred has doubled in value; Dryden has advanced 50%; Fraser has doubled in value; Howard Smith common has gone up over 36%; St. Lawrence Paper preferred about a third.

The trend of pulp and paper security values this year is set out in the following table showing the high, low and current quotations:

	1941		
	High	Low	Last
Abitibi, 6% pfd.	9½	4	8
Bathurst, A	14	10⅛	13¾
Cons. Paper	4⅛	2⅝	3½
Donnacona, A	5½	2⅝	4⅝
Dryden	7	4	6
Fraser	12	6	12
Howard Smith	15	11	15
Maclaren	15⅝	11	14¾
Price Bros.	12½	8¾	11
St. Lawrence Corp.	2⅞	1¼	2
St. Lawrence, A	18	13¾	16¾
St. Law. Paper, pfd.	43	31	40½

ELECTED DIRECTOR

G. Blair Gordon has been elected a director of Canadian Investment Fund Ltd. Mr. Gordon is president of Dominion Textile Co., a director of Canadian Pacific Railway Co. and the Bank of Montreal, as well as other companies.

M. & O. Paper Nets $1.23 a Sh.

9 Mos. Operations of Reorganized Co. Show Gains in Latest Quarter

Minnesota & Ontario Paper Co. reports net profits for the nine months ended Sept. 30, 1941, of $1.7 million, equivalent to $1.23 a share on the company's common stock. In the corresponding nine months of 1940, a loss of $78,862 was shown but this was after allowing for bond interest at the old basis prior to reorganization.

Most of the net profits this year resulted from operations of the last quarter when $1.2 million was reported.

R. H. M. Robinson, president, reports excessive rainfalls and abnormally high water has hampered power outputs at International Falls and Fort Frances. Indications are this situation is being corrected. The Insulite Co. and International Lumber Co. have been absorbed by the parent company and operations are now carried on as one of the latter's divisions. No decision has yet been given by the courts respecting allowances in connection with administration and reorganization of the predecessor company. Reasonably satisfactory progress is reported for the 1941 improvement programme, including addition to the steam power plant at International Falls. Some delays have been caused by institution of government priorities but these are being solved.

Consol. Profit and Loss Statement
Nine Months Ended Sept. 30

	1941	1940
	$	$
Net sales	15,585,780	13,256,508
Less: Cost of sales	*12,001,900	10,017,006
Gross profit	3,583,880	3,239,502
Less: Expenses	1,297,752	1,389,625
Other deductions	......	70,468
Add Other income	91,382	73,399
Net avail. for int.	2,337,509	1,852,808
Less: Bond interest	419,286	1,633,837
Income & E. P. taxes	595,900	122,728
Add: Exch. or bond gain	291,290	40,039
Net profit	1,653,614	†78,862

*Includes depreciation of $851,314. Depletion of $239,746 for nine months on account of timber cut from company lands has been credited to timber and timberland account. To the extent timber cut from company lands is consumed in operations, depletion is reflected in cost of sales.

†Loss.

Advertising in U. S. Moves Up in September

From Our Own Correspondent

MONTREAL. — Total newspaper linage in 52 key American cities in September showed a slight gain of .4% in spite of the heavy loss of 40.8% registered by automotive trade, according to the Media Records measurement compiled by Editor and Publisher. This gain also was experienced despite four Sundays as against five a year ago.

Financial advertising showed the largest gain of 16.1%. General registered its first gain in several months of 5.5%. Display was only ahead 1.2%; retails 3.3%; department stores 2%. Classified was off 2.6%.

U. S. Woodpulp Prices Not to be Limited

A ceiling will not be placed on the price of woodpulp in United States, according to an announcement of the Office of Price Administration. Need for such a move no longer exists, it is stated, as three major producers withdrew proposed increases and agreed not to advance prices during the fourth quarter this year.

OPA further announced it would call a meeting of pulp producers in November to discuss contract prices for the first quarter of 1942.

Pulp & Paper Rail Loadings Rise

From Our Own Correspondent

MONTREAL.—Extent of the increase in pulp and paper trade indicated the revenue carloadings for the week ended Oct. 18, when 3,375 cars were loaded on Canadian railways. This contrasts with 2,458 for the like period of 1940, a gain of over 37%.

For the current year to Oct. 18, 122,341 cars of pulp and paper products were loaded, as against 108,764 and 81,071 for the same periods in 1940 and 1939, respectively.

Newsprint Traffic Subject of Survey

I.C.C. Reports 90 U. S. Carriers Handled 371,741 Tons by Water

From Our Own Correspondent

MONTREAL. — Reports received by the United States Interstate Commerce Commission from 90 carriers by water indicate they transported 371,741 tons of newsprint paper in 1940. Of this total 139,891 tons moved in joint rail and water traffic service with the remainder of 231,850 moving in all water service. The year's total was 10,547 tons less than the 1939 movement.

By operating districts, 36 Atlantic gulf coast water carriers transported 62,178 tons. In the Great Lakes territorial group, 21 carriers transported 56,821 tons. In the Mississippi River and tributaries group seven carriers transported 7,827 tons, and in the Pacific coast area 26 carriers transported 264,915 tons of newsprint paper during 1940.

These figures do not represent a survey of all water borne commerce to the United States. A more comprehensive survey prepared by the American Newspaper Publishers Association shows that in 1940 there were 983,820 tons of newsprint paper moving from the United States, Canadian, European and Newfoundland mills for a count of 1,128 daily newspapers.

National Pole Reports Profit

Previous Year's Losses Eliminate Income Tax Liability For 1941

National Pole & Treating Co., subsidiary of Minnesota & Ontario Paper Co., reports net income for the nine months ended Sept. 30, 1941, of $161,549 compared with a loss of $27,348 for the corresponding portion of 1940.

R. H. M. Robinson, president, reports a continuation of a good rate of operations and the likelihood that this situation will last for the balance of the year. No provision has been made for the U. S. Federal income taxes for the period as losses for 1939 and 1940, permitted to be carried forward and applied against 1941 earnings, incidate no tax liability will be involved.

On Sept. 15, 1941, National Pole retired its outstanding $924,320 of gold notes. Funds for this purpose were provided by a bank loan of $600,000 for five years and from the company's treasury.

Profit and Loss Statement
Nine Months Ended Sept. 30

	1941	1940
	$	$
Net sales	1,499,022	1,047,449
Less: Cost of sales†	1,203,635	945,943
Expenses	101,382	96,035
Add: Other income (net)	7,825	*151
Net earnings	201,830	5,319
Less: Bond interest	40,506	47,574
Add: Gain on notes retired	225	14,907
Net income	161,549	*27,348
*Loss.		
†Includes deprec.	22,564	23,113

Gair Co. Net Up For 9 Months

Canadian Company earns $194,628 vs. $162,970

Earnings of Gair Co., Canada, Ltd., wholly owned subsidiary of Robert Gair Co., for the nine months ended Sept. 30, 1941, amounted to $194,628 after providing $164,000 for Dominion and provincial income taxes. This compares with a profit of $162,970 for the first nine months of 1940. Operations of the Canadian company are given in Canadian dollars and are not consolidated with those of the parent.

Robert Gair Co., and its U. S. subsidiaries, report $978,952 profit for the nine months ended Sept. 30, after depreciation, interest and dividends of subsidiary companies, and provision for federal income and excess profits taxes, but before interest on income notes. This compares with a profit before interest on income notes of $530,625 in the first nine months of 1940.

Federal income tax provision this year was $375,000 and for anticipated excess profits tax, $225,000. This represents three fourths of the estimated amounts of such taxes for the entire year.

Corrugated Paper Box Reduces Arrears

Corrugated Paper Box Co. has declared a dividend of $1.75 a share on its 7% preference to be applied on arrears. Payment will be made with the regular dividend of the same amount, on Dec. 1, 1941, to shareholders of record at Nov. 15. After giving effect to the above payments, arrears will amount to $14 a share.

Can. Foreign Investment Calls Preferred Block

Canadian Foreign Investment Corp. will redeem 1,000 shares of its outstanding 8% cumulative preferred stock as of Jan. 1, 1942, at $105 a share and accrued dividends to the same date.

These shares will be drawn for redemption on Nov. 15, 1941. For this purpose the transfer register on preferred shares will be closed from Nov. 15 till Nov. 20, 1941.

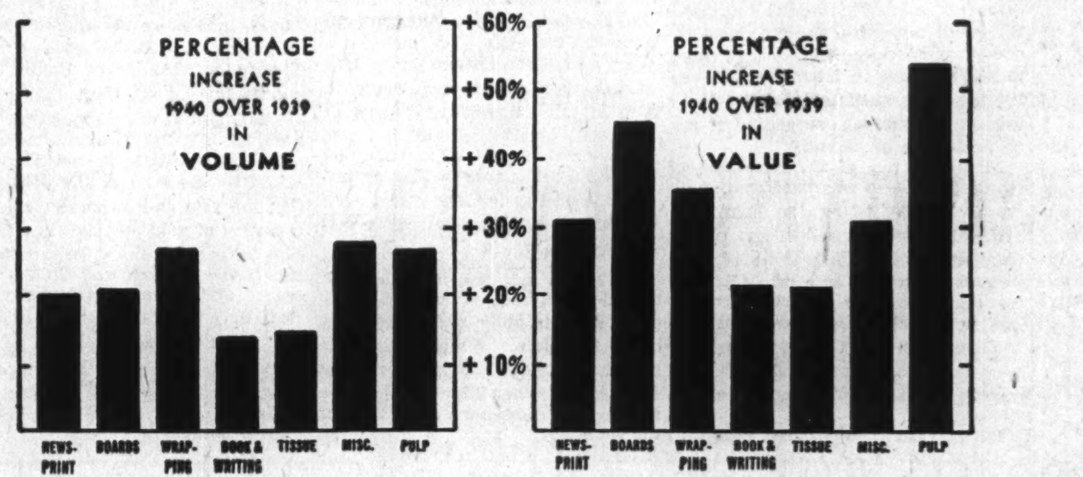
NEW PRESIDENT

Frederick C. Clare has been elected president and general manager of Clare Bros. & Co. Ltd., Preston. Mr. Clare succeeds his brother, the late John Stuart Clare. Other directors are T. H. Simpson, K.C., of Hamilton, vice-president; Milne Todd, of Galt, secretary-treasurer.

IN EVERY BRANCH

NEW PRODUCTION RECORDS

Doing its bit in the fight for freedom, the Pulp and Paper Industry set new production records in 1940, according to the Dominion Bureau of Statistics, and in this achievement every branch of the industry shared.



NEWSPRINT production increased 19.7% or 500,000 tons in the year. The value rose 31.1% or from 121 million dollars in 1939 to 158 million in 1940.

PAPER BOARD increased from 414,000 tons to over 500,000 tons or 20.8%. In value production rose from 21 million dollars to 31 million or 45.5%.

WRAPPING PAPER rose 27.1% in tonnage with an increase of 34.9% in value;

BOOK, WRITING and Other Fine Paper rose 13.9% in quantity and 21.5% in value;

TISSUE PAPER showed gains of 14.6% in volume and 21.2% in value;

MISCELLANEOUS PAPERS increased in quantity by 28.1% and in value by 30.5%.

PULP rose more than a million tons or 27%. In value it increased from 97 million dollars to 149 million or 53.4%.

Many of these products are directly used for war needs — pulps for explosives, wrappings and containers for munitions and food, boards for army buildings, paper to do the nation's business, newsprint to sustain a free press. Nearly all of them are sold in the United States and other countries, thereby creating what has proved Canada's greatest single fund of foreign exchange so essential today for providing the sinews of war.

Pulp and Paper is Canada's greatest industry. Every branch of it is doing its part to hasten the day of victory.

THE PULP AND PAPER
INDUSTRY OF CANADA
972 SUN LIFE BUILDING MONTREAL